Tomorrow's Stock Market Leaders—Dominion Stores

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The Nation's Business

Public Ownership Advocates Would Grab Beauharnois
Would Lead to Worse Scandals
England's Crisis Stirs Bankers

Beauharnois Power and Private Ownership

THE report of the parliamentary investigation of the Beauharnois power development is sufficient to make it clear that a reorganization of the enterprise and probably a complete change of the controlling interests are necessary, not only for the protection of investors but for the sake of public confidence.

Public-ownership theorists and politicians are exceedingly active in their efforts to have Beauharnois turned over entirely to their control. This would mean for the politicians and ward heelers:

(1) More jobs and hence more political power through votes of job holders;

(2) Opportunities for continuation of the graft which has already been exposed. In volume, this graft would be vastly greater. It would be collected by a greater number of public office holders, smaller politicians and professional grafters than in the present case, where the total amount was small but where it went to a few persons.

(3) Graft or waste would pile up year after year by way of increased capital investment on which interest must be paid. This would increase the cost to the users of power and, through taxation, to the country generally as shown by the comparison between the privately-owned C. P. R. and the publicly-owned C. N. R. or between the privately-owned Montreal Power and the Ontario Government Hydro. All this in face of the fact that such high-principled men as C. A. Magrath and Arthur Meighen may direct our public commissions.

* * *

THE public-ownership crowd are using the graft in Beauharnois as an evidence of the corruptness of private ownership. As a matter of fact, it is an outstanding bit of evidence of politics in business. Not one of the leaders in Beauharnois, mentioned in the evidence at Ottawa, has shown any real business capacity. Most of them have no record of having built up any great industry employing Canadian labor and distributing millions throughout Canada. Henry and Sweezey had formerly good records as engineers but they have shown no recognition in the Beauharnois development of their responsibilities to the public. McDougald, Raymond, Haydon and several others whose names have not come out, have been merchants or middlemen taking rake-offs or collecting commissions as such. This backsheesh flourishes under public, that is political, ownership.

* * *

COMPARE this with the way the development would have been handled under the natural organization for such a work, Montreal Light, Heat and Power. Successful, economic, low-cost production is dependent always upon good management and an efficient organization influenced always by the demands of customers and the public. Such an organization exists in Montreal Power. The natural or obvious organization to have developed Beauharnois or to have constructed and carried it on, was Montreal Power. It was not until, in desperation, they sold power at a very low price to this Montreal company that the promoters were able to float their securities. It is understood they got a much higher figure from the publicly owned Ontario Hydro. Again politics, and higher costs and taxations to Ontario citizens and lower costs and taxations on Quebec users. Even its opponents have to admit that Montreal Power's record shows it to be one of the best examples, not only in Canada but in the world, of efficient management. It has brought good service to the public at low prices, has always paid good wages, has given good rewards to investors—in short, has been fair to the public, to customers, workers and investors.

Had the private power interests of Ontario realized their trusteeship as does Montreal Power instead of subjugating the interest of the public, under good management and an efficient organization, to stock market operations, Ontario today would have had more efficient services at less cost.

* * *

THIS is the time for the public to use common-sense rather than prejudice; to distinguish between highly-placed grafters, promoters and middlemen and clean, sound business management. A publicly-owned Beauharnois development will be merely another publicly-owned Canadian National, which has been piling up unnecessary hundreds of millions of debt for Canada under the fetish of public ownership.

The association of Sir Herbert Holt—under whom Montreal Power has been built-up—with some unsuccessful merger promotions should not blind us to his main achievement, the successful, powerful and popular organization which he has built up in the power field. His alliance with certain promotions that have been rank failures

(Continued on page 2, col. 1)

HIGHER PROFIT FOR B.C. POWER IN PAST YEAR

Lower Operating Expenses Offset Decline in Gross Earnings

OUTPUT INCREASED

New Hydro Plants Guard Against Recurrence of Previous Power Shortage

From Our Own Correspondent

MONTREAL.—British Columbia Power Corp. concluded on June 30 a year of physical expansion while the financial statement is expected to show an improvement in earnings applicable to the "A" and "B" shares outstanding. Profits in the preceding year were equal to $2.19 a share on the "A" shares and 19 cents a share on the "B".

The betterment in profits last year, however, cannot be attributed to higher gross earnings but rather to the marked decrease recorded in working expenses. Gross earnings of British Columbia Electric Railway Co., the operating subsidiary, in the first 11 months of the last fiscal year were lower by $108,860 though net earnings were higher by $671,845 in the same period.

Reflected Power Shortage

This gain in operating costs is entirely due to the fact that the company has not been faced with the power shortage which confronted it in the previous year. In 1929-1930, drought conditions on the Pacific Coast affected hydro-electric production and necessitated continuous operation of steam standbys for several months.

This situation found reflection in the profit and loss account which showed an expenditure of power purchased and expenses of $810,676. Had it not been for this additional cost, profits, it was estimated, would have been equal to $1 a share on the class "B" stock.

Guard Against Recurrence

Power projects completed in the past year, however, together with others presently under construction should go far to offset a recurrence of a similar power shortage with its corollary of higher working expenses. In November, 1930, British Columbia Electric Railway completed and placed in operation a 47,000 horsepower developed to 188,000 horsepower.

With addition of this Ruskin plant there is now available a total of 202,000 horsepower in Vancouver and the lower mainland, while the Vancouver steam plant is capable of producing 23,500 horsepower. The Ruskin development, begun in 1926, involved an expenditure of around $7,500,000.

Vancouver Island Activity

The company has also increased its facilities on Vancouver Island during the past twelve months. In December 1930 a fourth generating unit of 16,100 horsepower was started at the Jordan River plant, about 37 miles from Victoria, bringing its total production up to 39,600 horsepower.

Further developments on the Island may follow the decision of

(Continued on page 2, col. 4)

Heads Ontario Loan

JOHN G. RICHTER, recently appointed president of Ontario Loan & Savings Co. to succeed the late A. M. Smart. Mr. Richter has been a director of the company for many years and is president of the London Life Insurance Co.

KING EDWARD HAS PROSPECT OF GOOD YEAR

Drop in First Six Months of 1931 Can Be Made Up

While business handled by King Edward Hotel Co. during the first six months of the current year did not come up to expectations and fell somewhat below the amount handled in the corresponding period of 1930, officials are optimistic over the outlook for the latter half of the year and believe that the 1931 statement will make better reading than did that for 1930. This belief is based partly on the fact that tourist traffic is on the increase and bookings are presently ahead of what they were at this time last year and partly on the fact that changes in organization permit a more flexible handling of operations with the result that operating expense is geared more closely than ever with the amount of business being done.

While May business was below that of the same month of 1930, June business would have shown a slight increase over that in 1930 had the hotel not done an abnormal business in June, 1930, due to the Shriners' convention. In a four-day period in that month the hotel catered to 2,500 guests per day when 750 per day would have been about normal. July business is stated to be ahead of that of July, 1930, and indications are that there has been some lag in tourist business during the early months of the summer which is being made up at the present time.

Tourist Traffic Falls

Economic conditions are blamed for the drop in tourist traffic which has been felt by all of the hotels

(Continued on page 2, col. 5)

Trust Companies Buy Corporation Securities

Investments in Bonds and Stocks Were Heavy During First Six Months of Year

That trust companies are re-entering the corporation bond and stock market seems evident from the figures of their trust investments as of June 30, 1931, just published.

Trust companies incorporated under Ontario laws are permitted to buy, for the protection of their trust deposits, guaranteed investments, etc., corporation bonds secured by a trust deed, debentures of corporations or banks that have paid dividends regularly for five years and common stocks of companies or banks that have paid at least seven consecutive dividends of four per cent.

Purchase of about one million dollars worth of corporation debentures and common stocks for guaranteed investment account, during the first six months of the year, is shown by Toronto General Trusts Corporation and National Trust Company in their returns. The period was one during which most of the corporations generally shifted funds from cash and call loans to longer term investments.

Buy Common Stocks

Report shows that Toronto General Trusts increased its total investments allocated to the protection of guaranteed investments by $2,800,000. Trustee investments, which comprise nearly 90 per cent of the funds, were increased by $2,200,000. Approved corporation bonds more than doubled, the increase being $175,000. Approved corporation debentures increased $645,000 (or from $88,000 to $733,000). Approved corporation common stocks, of which none were shown at December 31 last, now stand at $180,000. Demand loans have declined nearly $200,000 or from $1,635,000 to $1,457,000. Other authorized securities, not specified, have also increased by about $800,000.

National Trust increased its total investments allocated to the protection of guaranteed investments by $1,100,000. Trustee investments, which total about 92 per cent of such investments, were increased by nearly $900,000. Approved corporation bonds increased by $240,000; and common stocks, which were not included at December 31 last, now total $88,500. Demand loans show a decline of about $50,000 and other approved investments an increase of about $275,000.

Companies as a Whole

Taking Ontario incorporated trust companies as a whole the various types of investments allocated to the protection of guaranteed investments including trust deposits, specific guaranteed investments and general guaranteed investments, showed the following changes during the first six months of the year:

Guaranteed Funds and Investments

	$
Guaranteed funds	+7,086,517
Investments allocated:	
Trustee investments:	
Cash	+3,605,995
Can. and U.K. govt. bonds	+2,598,808
Municipal bonds	+2,172,492
School and telephone	+ 115,640
First mortgages	+3,152,823
Demand loans on trustee securities	— 502,545
Net inc. in trustee invest.	+3,931,218
Other investments:	
Colonial securities	— 116,412
Can. corp. and bank bonds	+ 298,267
Corp. and bank debs.	+ 645,770
Preferred stocks	+ 1,424
Common stocks	+ 279,386
Demand loans on other than trustee secs.	— 453,068
Other authorized secs.	— 652,988

Loan companies also showed an increase in deposits for the six months period. The statement, which is prepared each quarter to show the liquid securities available for the protection of loan and trust company deposits, shows an increase in deposits from $73,700,000 to $77,640,000. The companies show a considerable decline in cash on hand, in call loans, the entire increase in deposits in addition to the diversion from cash and call loans being more than accounted for by the increased investments in Dominion, provincial and municipal debentures.

BANKS RANK AFTER BONDS IN GT. LAKES

Section 88 May Not Apply to M. & O. Either

A STATEMENT SOON

Audit of Great Lakes Paper Co. Completed; Insurance Companies Ask For Representation

Canadian banks rank as ordinary creditors with respect to advances to Great Lakes Paper Co. made prior to the receivership of that company. Inasmuch as bank loans are known to aggregate several million dollars the fact that the lending banks did not secure their loans under section 88 of the Bank Act is of importance to the holders of the $10,000,000 of first mortgage bonds.

The exact amount of the bank loans and other debts of Great Lakes Paper Co. will be made public within the next fortnight, it is understood. G. T. Clarkson, of Clarkson, Gordon, Guilfoyle & Nash, chartered accountants, recently made a report, as of March 31, 1931, of the affairs of Great Lakes. This was done in behalf of National Trust Co., receiver, but an abstract of it will not be available until the figures have been checked by the representatives of the former management.

$15,000,000 in Current Liabilities

Minnesota & Ontario Paper Co., receivership of which involved Great Lakes because of the interlocking control through Backus-Brooks Co., of Minneapolis, is known to have trade and bank obligations totalling $15,000,000. The bank loans are a substantial proportion of this total and Canadian banks are involved.

It is a debatable point as to whether or not the bank loans of Minnesota & Ontario Paper are secured or whether the bank's position is the same as that of the ordinary creditors. Section 88 of the Bank Act which, then invoked, specifically secures bank loans with inventory, and other floating assets would not apply to a United States company but it is understood that certain loans were not made directly to Minnesota & Ontario Paper Co., but, instead, to one or other of the subsidiaries incorporated in Canada.

Funded debt of Minnesota & Ontario Paper Co. totals $25,000,000 so that the ranking of the bank loans totalling several millions is of prime importance to security holders.

Mill Operates Five Days Weekly

It is doubtful if the receivership of Great Lakes Paper Co. can be lifted and the mill operated on a basis which would permit the payment of interest on the $10,000,000 of bonds. Much depends on what arangements can be made for the allocation of tonnage. Great Lakes was operating 5½ days per week right up to the time of the receivership and has been operating five days since. Since it is one of the most modern, low-cost mills the scale of operations reassured security holders that bond interest was being earned and could be paid.

The trouble arose because Great Lakes was making paper for Minnesota & Ontario, because its costs were lower, and it was not receiving payment for the work done. The accounts receivable became frozen with the receivership of Minnesota & Ontario.

Now Being Paid

Since the reopening of the Great Lakes mill under the receivership, payments have been made in cash to National Trust Co., as trustee and receiver. Whether or not a sufficient profit will remain for bond interest is yet to be determined.

It is believed that Great Lakes Paper Co. has a sound legal claim to a portion of the tonnage under sales agreements made in behalf of the affiliated enterprises by the Backus-Brooks interests. It is pointed out that certain contracts made by Backus-Brooks Co. were guaranteed by subsidiary companies. In one instance, for the delivery of 5,000 tons of newsprint annually to the Kansas City Star, four companies, the Minnesota & Ontario Paper Co., Fort Frances Pulp & Paper Co., Kenora Paper Mills and Great Lakes Paper Co., were parties to the contract. It is contended in behalf of the Great Lakes Co. that, whatever may be the reorganization plans of the affiliated companies, Great Lakes Paper Co. is entitled to a portion of this and other tonnage.

Heretofore, the impression has been that the sales contracts had all been either in the name of the Backus-Brooks Co. or of the Minnesota & Ontario Paper Co. and that Great Lakes was receiving only such business as the Minneapolis interests cared to give it.

Canadian Holdings Large

Canadian investment interest in both these enterprises is confined to the first mortgage bonds. Minnesota & Ontario has other funded debt, some $3,500,000 of 6 per cent gold notes which have been in default as to both principal and interest since March 1, 1931. Of the $25,000,000 of first mortgage bonds of Minnesota & Ontario Paper, it is estimated that between $7,000,000 and $8,000,000 are held in Canada. Of the $10,000,000 of first mortgage bonds of Great Lakes

(Continued on page 2, col. 6)

L. J. BELNAP WILL BE HEAD CAN. POWER

Prominent Executive is Choice of Dunning Committee

DEPOSITS HIGHER

Belgo Preferred Committee Issue Another Letter Advising Against Plan

From Our Own Correspondent

MONTREAL.—La Monte J. Belnap will be named president of the Canada Pulp and Paper Corp. when the Security Holders Protective Committee declare in effect the plan of reorganization for Canada Power and Paper Corp.

At the same time the Committee is expected to name the directors which it is empowered to do so under the scheme. Though a number of names have been mentioned for positions on the Board, there has been no official statement or intimation of who will act for the Committee.

The remaining four of the eleven directors will be chosen by the holders of common stock in Canada Pulp and Paper Corp. It is possible that temporary appointments will be made until a meeting is called.

Belnap Well Regarded

The appointment of L. J. Belnap as head of the reorganized company is expected to be favorably received. Mr. Belnap is now president and chairman of the Worthington Pump and Machinery Corp. of the United States. He took over this company a few years back when its finances and earning power were in a weakened state. Since that time he has put the company on a sound footing, built up a strong earning power.

Before associating himself with Worthington Pump, Mr. Belnap was connected with a number of enterprises in Canada and the United States. He organized the American company for the Rolls Royce of England and was its first president. Before that he had been connected with the Williams Manufacturing Co., Ingersoll Machine Co. and Rundel-Belnap Machinery Co.

His experiences have been largely along the lines of an industrial engineer. He has built up a reputation, both in this country and the United States, as an executive of outstanding ability which is backed up by the record of these companies with which he has been associated.

Secure More Deposits

The Committee reports further progress in the deposit of further securities. At the present time there is an ample majority deposited of all classes of securities, with the exception of Belgo bonds and preferred stock. The former is only fractionally away from being a majority, while the latter is still under a majority but coming in slowly.

Up to July 25 last, there had been deposited with the Dunning Committee an amount of bonds equal to 75.2 per cent of all outstanding; 66.5 per cent of all debentures; 67.8 per cent of all preferred stocks together with an amount of common stock equal to 71.2 per cent of the common outstanding. In some instances over 80 per cent of the outstanding issue had been deposited.

At the present rate of progress and in view of the small amount of securities needed to give the committee a clear majority, it is expected that the declaration in respect to making the plan effective and announcing the new management will be forthcoming within the next week or ten days.

Belgo Preferred Oppose

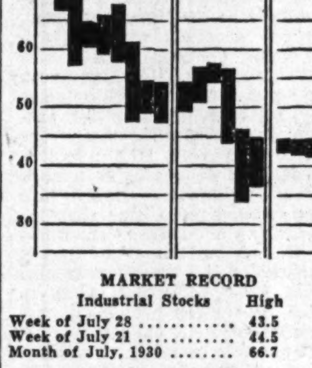
Opposition from the Belgo preferred shareholders continues. Since the return to the Old Country of Hubert Biermans, the bondholders have not been particularly active. The preferred shareholders, however, are carrying on the fight and this week issued a circular letter, which had to say, in part:

"The committee has received several requests from shareholders asking for information regarding the

(Continued on page 8)

Stock Market

20 INDUSTRIAL STOCKS



MARKET RECORD

Industrial Stocks	High	Low
Week of July 28	43.5	41.7
Week of July 21	44.5	40.9
Month of July, 1930	66.7	59.7
8 Bank Stocks		
Week of July 28	229	227
Week of July 21	229	228
Month of July, 1930	256	249
10 Public Utilities		
Week of July 21	71	69
Week of July 14	71	68
Month of July, 1930	93	88

To Head Canada Power Reorganization

PHOTO BLANK & STOLLER

LA MONTE J. BELNAP, at present president and chairman of the Worthington Pump and Machinery Corp., who will be named president of Canada Pulp and Paper Corp. by the Shareholders Protective Committee of Canada Power and Paper Corp. Mr. Belnap is well known in Canada and the United States as an executive industrial engineer and has made an outstanding success of rehabilitating industrial concerns.

New Unit to Handle Western Pool Grain Is Stop-gap Only

Permanent Organization Yet to Be Worked Out

POOLING IS ENDED

Exists Only in Theory—New Company Will Follow Practices of Private Firms

From Our Own Correspondent

WINNIPEG. — The essential feature of the plan worked out by western provincial premiers for the operation of pool elevators this coming year is the creation of a new central marketing agency, which in essence will be controlled by the three western governments and by the Dominion government, which is expected to guarantee its credits. Formal announcements are lacking, pending the approval of the plan by the Dominion government, but it is understood that the new body is to be under the management of John I. McFarland, and is to buy grain at the country elevators of the three pool systems, paying handling and storage charges in country and terminal elevators to those systems. Like other commercial organizations it may make a profit or incur a loss. Profits if made will accrue to the account of the respective pools, increasing their ability to take care of their liabilities to the provincial governments. Losses will have to be met in the first instance by the governments concerned, and probably by the Dominion Government.

Pooling Virtually Ends

Pooling, while not formally abandoned, has practically disappeared from the scheme of things. All pool members are being given to understand that their contracts will not bind them this year, and they may dispose of their grain as they see fit. Nominally a pool is to be continued for those who wish to use it, but the scale of initial payments is so small that actually farmers are not expected to deliver their grain for that method of selling. Alberta has stated that its initial payment will be on the basis of 30 cents a bushel. No. 1 Northern wheat in store Vancouver, from which deductions have to be made for freight and handling charges, and for lower

(Continued on page 2, col. 4)

Westminster Paper Operates at Capacity

Westminster Paper Co. which was financed early in 1930 with issues of bonds and preferred stock, is reported to be operating at capacity 24 hours per day. Orders are being maintained at a satisfactory level and for some time this year the plant was two months behind orders. Both export business and local business is stated to be increasing.

Net profit in June, 1931, is reported at $3,162 after payment of bond interest and all other fixed charges. The net profit for the six months ended June 30, 1931, is stated at $36,438. Since the plant has only been in operation for one year, comparable figures for 1930 are not available.

ABITIBI POWER SPEEDS WORK ON NEW PLANT

Canyon River Project is Ahead of Set Schedule

J. H. BLACK RESIGNS

Work is progressing ahead of schedule on the 275,000 h.p. power plant of Ontario Power Service Corporation, a subsidiary of Abitibi Power and Paper Company. The plant is located in the Abitibi Canyon, 64 miles north of Cochrane on the northward extension of the Temiskaming and Northern Ontario Railway. Schedule calls for completion of the development in October, 1932.

The general plan of the development provides for a dam in the gorge which will give a head of 237 feet and create a reservoir lake. A power house will be erected in the gorge below the dam and

(Continued on page 2, col. 5)

Beauharnois Report Forces Reorganization

Future Financing and Control of Enterprise is Present Concern of Investors in Giant Project

From Our Own Correspondent

MONTREAL.—Report of the House of Commons Committee on the Beauharnois Power Corp. inquiry brought with it a balance sheet of the company.

In view of the critical nature of the committee's comments the opinion is held here that the Government will of necessity have to take drastic action against the offenders.

From the standpoint of the investor, however, the future welfare of the company is of paramount interest.

Recommend Reorganization

The committee did not recommend to the House a thorough reorganization of the present management of the Beauharnois Power Corp. but it so criticized certain individuals that the present controlling interests are thoroughly discredited at Ottawa and the necessary authority for the completion of the enterprise will likely not be forthcoming without a change in management.

There is much speculation as to how far the Federal Government can go and what steps it will take in bringing about the reorganization. The jurisdiction of the Dominion Government, in so far as the project is concerned, has to do with the navigable rights of the river. The engineering plans are subject to approval by Federal authorities and lack of such approval would mean the postponement of completion.

Many-sided Problem

It has been suggested in well-informed quarters that being part of the St. Lawrence waterways scheme, the Federal Government should step in and assume certain responsibilities for the completion of the project. Under its authority the Federal Government could take over the navigable features of the project. The power end is a purely provincial matter and it is doubt-

(Continued on page 2, col. 3)

BURT, MOORE EARN DIVIDEND REQUIREMENTS

First Six Months Saw Profits Up to Stock Needs

ECONOMIES SHOWN

Cut in Expenses Brings Revenues Up to Amount Needed For Shareholders

Both F. N. Burt Company and Moore Corporation earned their dividends during the first six months of the present year, according to information from a reliable source. The companies are now into their second half-year periods and already some signs of improved business are apparent. As the last half of the year is always more important to these companies from a profits standpoint than the first half the directors are confident that full year's dividends for both companies will be earned and paid.

F. N. Burt Company pays a dividend of $3 a share per annum on its common stock. Earnings for the year 1930 were equivalent to $3.19 per share. Present price of the stock is 35. A 7 per cent preferred stock ranks ahead of the common.

Moore Corporation pays a dividend of $1 a share per annum on common stock. Earnings for the year 1930 were equivalent to $1.26 per share. Present price of the stock is 12½. Two issues of A and B preferred shares, similar in status except that the B stock is convertible into common on a more attractive basis than the A stock rank ahead of the common, the A selling at 101 and the B at 110.

Greater Efficiency Shown

Both of these companies have experienced a considerable contraction in business. In both cases, the decline in business has been largely offset by most rigorous economies which have been instituted during a period of more than a year. The companies have taken advantage of the present period of business depression to get operating and management costs down to rock bottom and when business turns, a moderate upturn in sales is expected to create a very substantial upturn in profits. The various plants of the two companies are declared to be operating on a more efficient basis today than ever before.

Make Business Forms

Moore Corporation confines its business to the manufacture of manifolding business forms that can be produced by automatic machinery. This embraces a wide field of products, all made by similar processes, such as invoices, billing forms, checkbooks, etc. Many exclusive patents in this field are controlled by the company most of them having been developed by the company's own production and research engineers. The company's business covers Canada and the United States but the American field provides the majority of the sales, 11 of the 14 plants being in the United States. The company is a holding corporation for several production units, each of which does a more or less localized business.

One factor that has tended to give greater stability to the company's business than has been enjoyed by most corporations providing service supplies to business

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NATION'S BUSINESS

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has been a matter of regret and disapproval on the part of those who know him and respect his constructive ability. Whatever the record of recent Holt promotions, his record in power development is one of constructive courage, fair treatment of the public and good returns to investors. Under Holt, Beauharnois would have duplicated this record and under him, Beauharnois, if it came under his control now, should be just as successful.

* * *

THERE is some evidence that certain of the men connected with Beauharnois had in mind as a final objective ultimately selling the whole project to the Government. When the scheme was being organized some years ago, two men prominent in finance and unusually successful in their business careers and investments, were approached. Both had unusual political influence. As presented to them, the scheme promised:

(1) Several millions profit on the sale of securities.

(2) Many more millions profit on construction and supplies which were to be secretly owned by the promoters or to be passed through their hands.

(3) Ultimate sale of the project to the government for $300,000,000, from which the promoters estimated they would divide among them a final great profit of $102,000,000.

Both men refused to sell themselves or their influence, and instead used their influence against it privately, but were out-influenced with the former Prime Minister by the McDougald-Raymond-Haydon group and by others whose names have not yet come out in evidence.

Obviously, some of those connected with Beauharnois had in mind merely the creation of an important national undertaking from which they would derive fair compensation for their services and the risk of their money. But Beauharnois attracted undesirable elements and it is these men who have wrecked the enterprise and who now must go to make way for men of a more stalwart sense of public and investment responsibility.

* * *

THE demand across Canada from all classes for a complete clean-up of Beauharnois, Canada Power and, biggest of all, the "Mining Racket," is not based on curiosity or to unearth scandal, but on a serious desire to uncover the men in public and business life who can no longer be trusted by citizens generally who have to pay graft in taxes; or by investors whose savings are being wiped out.

It is not the big tax payer who is thinking most. He can stand his losses—it is the wage earner.

Pasted on the walls by workmen in a large factory The Financial Post noticed last week two newspaper clippings naming the men in civic and national life against whom grafting charges had been made public.

* * *

England Faces Financial Crisis

CANADA'S exports to Germany totalled nearly $50,000,000 in the year before the present world economic crisis developed. Germany ranked next to the United States and the United Kingdom as our best customer. But it is not merely this fact that gives Canada such a definite interest in Germany's present financial crisis. The German crisis is a reflection of international financial dislocation, that is acute in many other countries that are normally good markets for Canadian wheat and other agricultural or manufactured products.

The optimistic statements put out by governmental leaders on the heels of the London conference do not fool business men for it is obvious that the conference succeeded in doing nothing immediately practical to solve Germany's problems. Whatever comfort is to be extracted from the conference comes from a realization that there is some advance in having the United States officially represented in an European parley for the first time since Versailles and in having France and Germany discuss their mutual problems and their antagonisms.

* * *

GERMANY'S immediate necessity is credit. Apart from her home resources she can get credit now only from France or the United States. France is apparently not disposed to loan money to Germany now because it is not satisfied with the manner in which Germany's internal affairs are conducted and possibly too because France is willing that Germany should remain a defeated nation. United States banks are hesitant because they are not satisfied as to the safety of such loans. It will be difficult to ease the present apparent deadlock and in the meantime the possibility of collapse in Germany will remain. The situation emphasizes the inevitability of a permanent and more generous adjustment of both reparations and war debts.

While Germany's situation is giving cause for concern, that in Great Britain is, if not equally unsatisfactory, at least serious. The constant lowering of the gold reserve of the Bank of England and the decline in sterling tell the story of a flight from the pound that must be disconcerting to Canadian business men, interested in the British market. It is now forecast that the Bank of England may have to raise its rate to five per cent to stop the outflow of gold. Why England should be suffering from a set of circumstances so similar to the condition in Germany is puzzling unless one digs beneath the surface. The outflow of gold from England started with the withdrawals of large sums of short term French money which had been loaned in the London market to take advantage of the high rates prevailing there. That some political pressure was brought to bear on French bankers to initiate these withdrawals seems obvious, the purpose being to force British support of French policy towards Germany. But the freezing of British credits in Germany, which were the result of Britain's large trade relations with that country, has undoubtedly weakened the financial structure in London and tended to further stimulate the movement.

British business men will probably renew the complaints heard when Britain went back to the gold standard; that the maintenance of London's financial prestige is being secured at the cost of depression for industry.

* * *

THE British and European financial outlook is far from promising and the enthusiasm engendered by the Hoover moratorium proposal is dying quickly. One important factor in the situation is that the troubles of Germany and Britain cannot be entirely blamed upon international finance. Germany's internal affairs have been extravagantly managed and this is admitted by her own bankers and business men. Britain, as witness the futility of her dole and tariff policies, has also failed to conduct her internal finances in a manner calculated to create confidence even at home. While in Germany the alternative to the present government seems to be the blustering Hitlerites, with their threats against the world, the alternative in Britain is the Conservatives who at least promise fiscal and financial reform. The flight from the pound may be the determining factor in bringing in a new government and a new policy in the Old Country. In the meantime the financial barometer forecasts squalls ahead for British business.

Canada's rôle in present world affairs is largely one of glum silence. Our best contribution is good management of our own nation's business and economy in public affairs in order that the impact of world distress may be as light as possible upon us.

Toronto Suburban To be Discontinued

The Canadian National Electric Railways will cease to operate the line of the Toronto Suburban Railway on August 15. This announcement made by head office officials of the railway follows closely on the passing of interest due July 15 on the 4½ per cent first mortgage debenture stock of Toronto Suburban Railway. The line runs between Lambton and Guelph, Ont.

Further action with respect to continuing operation of the line must come from the trustee for debenutre stock, British Empire Trust Co., and to date no arrangements for further operation have been made by the trustee with the C. N. E. R. The line in question is one of the electric lines taken over in an amalgamation back in 1923 and business has been seriously curtailed through presence of paralleling highways which have stimulated competition by bus, truck and automobile.

BEAUHARNOIS REPORT FORCES REORGANIZATION

(Continued from page 1)

ful if Quebec would brook any interference on that score.

Just how the government will get around the problem of how and under what auspices the project will be completed, is causing much speculation at present.

Can Finance Project

Opinion here that with the government report out of the way and the question of management settled, there would be no difficulty in financing the completion of the enterprise.

No further financing can be carried out in Canada on any large scale for the time being, so that the first mortgage bonds would have to be floated in New York or London. Attractive terms could be offered and opinion prevails that the bonds could be sold in those markets without difficulty.

A number of interests are reported to be closely watching developments and when conditions are ripe will likely submit proposals.

There is still a strong opinion that the Montreal Power-Shawinigan group may yet take over and complete either the whole project or the power phases of it.

The balance sheet, as published, follows:

CONSOLIDATED BALANCE SHEET OF THE BEAUHARNOIS POWER CORP., LTD., and Subsidiaries, as of the 31st December, 1930.

Liabilities		
1. Capital stock—5 management preferred shares no par		$ 5.00
1,799,995 Class A common shares no par		1,799,995.00
		$1,800,000.00
2. Funded debt—Collateral trust sinking fund 6 p.c. bonds, due Oct. 1, 1959.		30,000,000.00
		$31,800,000.00
Assets		
Cost to date of property rights and power development in the course of construction		*$28,768,816.53
Securities and deposit with the Quebec Provincial Government and the Hydro-Electric Power Commission of Ontario, etc.		1,021,385.00
Investments (Brubacher et al.)		200,168.00
Sundry accounts receivable		221,434.67
Cash on hand and in bank		186,130.73
Cash and marketable securities held by the Royal Trust Company in escrow.		2,325,546.67
		$32,723,481.60
Less sundry liabilities		923,481.60
		$31,800,000.00
*The item of $28,768,816.53 is made up as follows:—		
Real estate		$5,189,783.82
Construction accounts		6,193,497.17
Equipment and temporary construction less depreciation		3,012,337.33
Engineering expenses		1,081,431.59
Interest during construction		1,388,795.43
Property rights and interest		†11,357,888.87
Miscellaneous		595,082.32
		$28,768,816.53
†This item of $11,357,889 includes:		
Property Rights		
Issue of 10,000 part interests at $100 each to members of the Beauharnois Syndicate, as of April 4, 1928, as part consideration for the taking over of assets and undertaking of Beauharnois Syndicate.	$1,000,000	
Less net book value of assets acquired	788,000	$ 261,000
Issued to J. P. Ebbs, 2,000 part interests Beauharnois Power Syndicate, consideration for acquisition of capital stock of Sterling Industrial Corporation	....	200,000
Amount paid to Beauharnois Power Syndicate, Dec. 17, 1929, as part consideration for the taking over of Beauharnois Power Syndicate undertaking	4,750,000	
Less net book value of assets acquired	2,500,000	2,250,000
Discount of 10 per cent on issue of $30,000,000 Beauharnois Power Corporation, Limited, 6 per cent collateral trust sinking fund bonds, due Oct. 1, 1959, underwritten at 90		$3,000,000
770,000 shares Beauharnois Power Corporation class A common stock issued to underwriters on which a book value of $1 per share was placed		$ 770,000
Purchase by Beauharnois Construction Company of 8,000 shares of capital stock of Marquette Construction Corp. at $20 per share	$ 160,000	
Less issued price	40,000	120,000
		$7,079,000

An unaudited statement of May 31, 1931, as compared with the consolidated balance sheet as of the December 31, 1930, disclosed that the property account had increased by $5,781,185.74 to a total off $34,550,002.27, as compared with $28,768,816.53.

Cash on hand had decreased by $118,857.31.

In the liabilities the most important increase is a bank loan of $33,500,000 secured by the hypothecation of $5,250,000 of bonds of the Beauharnois Light, Heat and Power Company, being part of an issue of $20,000,000 bonds authorized for temporary purposes on the 15th day of January, 1931. At present the bank loans are, according to Mr. Griffith, about $6,000,000, secured by the hypothecation of $9,000,000 of these bonds.

HIGHER PROFIT FOR B. C. POWER IN PAST YEAR

(Continued from page 1)

the Provincial Water Board with which British Columbia Electric Railway has filed plans for development of the Campbell River. The scheme is expected to come up for consideration shortly and contains a proposal for three power plants.

The plans include the location of power plants at Elk Falls, Lodore Falls, and Trout Pool and it is estimated that the three sites would be capable of developing some 157,000 horsepower. The Lodore Falls unit would entail construction of a mile long tunnel.

Bridge River Project

The major work which the company has under construction is the Bridge River development. At this point a tunnel 2½ miles in length has had to be bored through solid rock to bring water to the power plant; initial production from the unit will be 54,000 horsepower though the site is capable of being developed up to 300,000 horsepower.

In the distribution of power, British Columbia Electric Railway has made gains in recent years. In the last fiscal year the company produced 351,047 kw.h. as compared with 342,627,810 in the preceding year while output in 1925 totalled but 197,827,727 kw.h.

Tram Activity Lower

While revenue from the electric railway system has shown steady improvement there has been a decline in the number of passengers carried. In 1930 this figure fell off by 1,103,500 and in the first four months of 1931 there was recorded a still further decrease of 360,803 in passengers carried as compared with the same period in the previous year.

British Columbia Power Corp., the holding company undertook in March 1931 the first financing which it has carried out since it was formed in 1928. An issue of $4,000,000, 5 per cent, first refunding collateral trust bonds were offered at 96 to yield over 5.25 per cent.

Proceeds of the bond issue were used for refunding purposes only and did not increase the funded debt. A saving in fixed charges was effected by this procedure.

NEW UNIT TO HANDLE WESTERN POOL GRAIN IS STOP-GAP ONLY

(Continued from page 1)

grades. Saskatchewan pool has indicated that it expects to announce an initial payment, and Manitoba may do likewise.

With pooling practically out of the way the real problem to be tackled by the provincial premiers was how the elevator systems, which for practical purposes are under their control, were to be operated this year. Handling grain on an open market basis requires money, for although a certain percentage is consigned through the elevators for sale, the elevator must be prepared to offer a cash price at all times. Banks are willing to advance a high percentage of the value of grain which has been hedged, but not all of it, and the provision of working capital was the great difficulty. Only in Alberta, where the provincial pool has conserved some cash resources, was it possible to carry on without further extensive government assistance.

Complicated Structure

Premier Bennett, when he refused to establish a board for the handling of the whole crop, accompanied his refusal with a suggestion that the elevator systems of the three pools be combined under one management, to which, if satisfactory to the government, financial assistance would be given. This suggestion the provincial premiers considered undesirable as it would have meant taking the management of the elevators out of the control of the pool organization, assuming direct control themselves.

The whole structure of the pool organization is a complicated one involving, as it now does, ten separate corporations. There are the three provincial pools, each with a subsidiary elevator company, and in addition the old central selling agency, and the new central body now in formation. The central selling agency which since last March has been under the management of Mr. McFarland, will disappear as soon as it has completed the sale of 1930 grain which it has on hand. It will leave a debt of approximately twenty-five millions with respect to the 1929 crop, to be taken over by the provincial governments, and quite possibly also a debt with respect to the crop of 1930, responsibility for which will rest with the Dominion Government. In Alberta the distinction between the provincial pool and the subsidiary elevator company does not appear to be important, for although the operations of the two were formerly separated they have recently been amalgamated, and for convenience the subsidiary company might well be eliminated. In Saskatchewan the reverse is probably the case, for the subsidiary elevator company has been kept quite distinct from the pool, and future organization there may well be built upon the elevator company. In Manitoba the provincial pool organization is quite frankly being abandoned in favor of the subsidiary elevator company, and efforts are being made to establish a new foundation for the elevator company with no relation to the pool itself.

Is Temporary Expedient

The new corporation being created is obviously a temporary expedient only. For one reason, it really means the Government in the grain business, a situation not permanently desirable either from the standpoint of government or of the future of the elevators concerned. For another there are considerable technical difficulties in the way of separating the functions of elevator operation and of trading in grain on an open market basis. A trading corporation that sets out to pay full storage charges on grain it handles will find itself handicapped from time to time, for grain is frequently purchased, especially for carrying in terminal elevators, on a basis that does not yield full tariff charges.

Would Merge With U. G. G.

In Manitoba the United Farmers of Manitoba are objecting to the idea of perpetuating two farmers' companies, United Grain Growers Ltd., and the new pool organization, in competition with each other. They have issued a statement pointing out that they endeavored to bring together the provincial Government, the pool board, and the board of United Grain Growers to consider the possibility of some form of amalgamation but that the proposal came to nothing through refusal of the pool board to attend a meeting. In Alberta no secret is made of the reluctance of the organization there to continue working with the pool organizations of the other provinces. Just recently there has been made public the fact that in March last, shortly after the appointment of Mr. McFarland to head the central selling agency, the Alberta Pool served notice upon that agency of an intention to withdraw before the commencement of another crop season.

The permanent structure that is to succeed the old pool organization is yet to be evolved.

KING EDWARD HAS PROSPECT OF BETTER YEAR

(Continued from page 1)

in Ontario which receive a part of this business. Changed conditions have changed the travel habits of the travelling public and hotels have suffered accordingly, although to a lesser degree than have the railroads. Local business of the King Edward Hotel is reported to be good and to have shown a satisfactory increase during the past year in the various departments. Conventions have come to Toronto this year in greater numbers than before but the attendance has been smaller.

Overhead expense has been reduced by the management to meet conditions. Current conditions permit the maintenance of a more flexible staff, which has resulted in considerable saving. Even though there should be a decrease in business during 1931 as compared with 1930, it is regarded as quite possible that this decrease would be more than offset by saving in overhead and despite more adverse conditions in general business it is possible that the profit and loss account for the current year will be an improvement on that of 1930, when a loss of $389,773 was reported after provision for fixed charges.

ABITIBI POWER SPEEDS WORK ON NEW PLANT

(Continued from page 1)

will have five generating units of 55,000 h.p. each.

This week 1,515 men were busy on the work. Grubbing and stripping for the east and west embankment fills has been completed. Large amounts of rock have been removed from the gorge and from the spillway section of the dam. Concrete has been poured for the west wing wall as well as for the main dam and work has been started by the Dominion Bridge Company on the erection of the closure gates.

River Bed Dewatered

To divert water out of the gorge during the construction of the dam and power house it was necessary first of all to bore and line two tunnels through the rock. These tunnels are now virtually complete and coffer dams upstream now divert the water through the tunnels. Thus the dewatering of the river section for the main dam has been completed and the river bottom is being placed in shape for the pouring of the main section of the dam. Later the two temporary tunnels will remain as reserve outlets for water.

Main contract for construction is in the hands of Dominion Construction Company.

J. H. Black Resigns

The Financial Post learns that J. H. Black, formerly vice-president of Ontario Power Service Corporation, has resigned from that post to head the Dominion Construction Company. His position on the board of the power company has been taken by L. R. Wilson, who is also vice-president and managing director of Abitibi Power and Paper Co. Mr. Black also occupied the position of assistant to the president and power manager of Abitibi Power and Paper Co. and from this position also has resigned. Mr. Black has had long experience in the newsprint and power field.

Abitibi is at the present time running two of its newsprint mills at full capacity. These are the Iroquois Falls, Ont., mill, with a capacity of 600 tons of paper daily, and the Manitoba Paper Company mills at Pine Falls, Man., with a capacity of 250 tons daily. As the company's newsprint capacity is 2,200 tons daily the ratio of production to capacity is about 40 per cent. The two mills now running are two of the company's lowest cost producers. The mills that are idle are the three mills of the former Spanish River Pulp and Paper Co. at Espanola, Sault Ste. Marie and Sturgeon Falls, Ont., the Ste. Anne Paper Company mill at Ste. Anne de Beaupré, P.Q., the Murray Bay Paper Company mill at Murray Bay, P.Q.; the Thunder Bay Paper Company mill at Port Arthur, Ont.; and the Fort William, Ont., mill.

This is the slackest season of the year for newsprint operations and the operation of only two of the company's mills does not represent permanent policy. When fall and Christmas advertising volume increases and there is a large demand for paper other mills will be opened for part time or full time operations.

BURT, MOORE EARN DIVIDEND REQUIREMENTS

(Continued from page 1)

is the large volume of trade done with governments and public utilities. Municipalities and states now use various of the company's patented forms for tax bills, motor licenses, permits, etc.; public utilities use the form for monthly bills to customers. There is a steady normal growth in the demand from such sources that is not materially affected by a general decline in business.

Many of the presses used for the company's printing work have been designed and produced in the plant of its subsidiary the U. P. M. Kidder Press Co.

F. N. Burt Company largely confines its business to the production of small paper boxes that can be produced by automatic machinery. Units handling other lines of goods, such as checkbooks and drinking cups, have been disposed of during recent years. In Canada, however, the company's business, which comprises a fair portion of the total, is more diversified than across the line.

A strong feature of the Burt business is that the company manufactures practically all of its own machinery, which has been designed by the company's own production experts skilled in the actual use of the machinery. This enables machines to be developed for the most rapid and economical production of the lines of printed boxes on which the company specializes.

BANKS RANK AFTER BONDS IN GT. LAKES

(Continued from page 1)

Paper Co., about half, or $5,000,000, are held in Canada.

The preferred and common stock of both companies were owned outright by the Backus-Brooks Co. It is understood that within the last three years the equity of E. W. Backus and his associates in these and affiliated enterprises was in excess of $150,000,000. It has been predicted that, in the forthcoming reorganiations, there will be little or nothing left for the shareholders.

Canadian insurance companies hold about $1,500,000 of Minnesota & Ontario bonds, and slightly less than $1,000,000 of Great Lakes bonds.

This substantial interest of the Canadian life insurance companies has led to a request, which amounts virtually to a demand, that these institutions be allowed to name a representative on the bondholders' committees. The committees in both instances are mostly representative of the banks and the investment bankers interested in the original issues of securities. In the case of Minnesota & Ontario Paper Co., there is only one Canadian representative, T. S. Harrison, the other seven members representing United States interests. Rt. Hon. Arthur Meighen is chairman of the Great Lakes bondholders' protective committee. A. D. Cobban and J. H. Ratcliffe are two other Canadian members and the committee is completed by two representatives of United States investment bankers.

In the opinion of various persons who have had reason to look into the affairs of these companies, a reorganization is essential in the case of Minnesota & Ontario, with the probability that either the first mortgage bonds will be scaled down in value or; as in the case of Canada Power & Paper Corp., become income bonds for a period of five years or longer. Such scheme, it is predicted, also will be proposed for Great Lakes Paper Co. but, so far as can be ascertained at this time, there is not the need for such drastic action as in the case of the older and larger company. Much will depend on the amount of business procured for the Great Lakes Mill.

The position of the banks alters materially the outlook for the bondholders in these companies. In contrast to the situation in the Canada Power & Paper Corp., it is apparent that the claims of the banks will not necessarily be met prior to the claims of bondholders, in so far as these claims concern moneys advanced prior to the receiverships.

Section 88 of the Bank Act gives the bank authority to advance money specifically secured by warehouse receipts. Thus, in effect, the lending bank owns the company's inventories in the event of liquidation. This happened in the case of Canada Power & Paper Corp. and for the working assets of the companies in that group the banks were the ranking creditors. In the case of Great Lakes Paper Co., and possibly in the case of Minnesota & Ontario Paper, the bondholders have the first claim.

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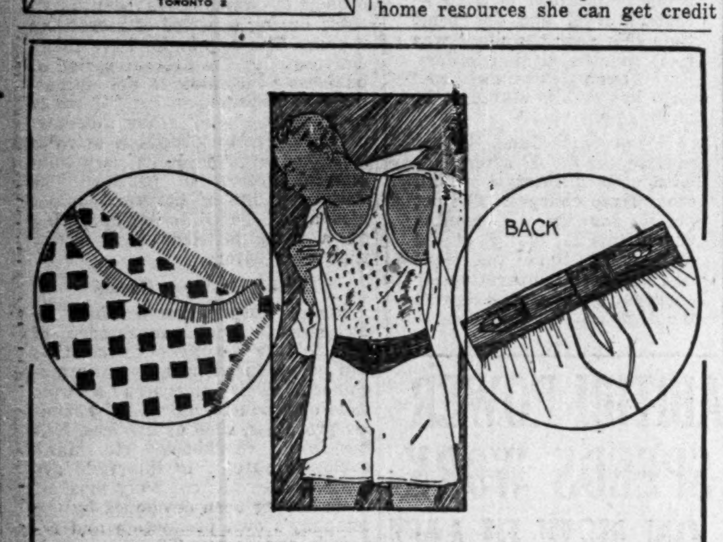

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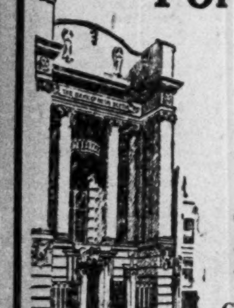

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DEMAND CHANGE IN DIRECTORS OF HUDSON'S BAY CO.

Heavy Losses of Past Year Have Resulted in Dissatisfaction

As The Financial Post goes to press, a fight for the control of the Hudson's Bay Company is being waged in London, Eng., at the annual meeting held on July 29. Following a very unsatisfactory year, with the new governor, P. A. Cooper, in charge for the latter four months, C. L. Nordon, the prime mover of the criticism, directed at the previous governor at the last annual meeting, is to make an attempt to gain control of the company through the election of himself and five other directors to the board.

The former governor, Charles V. Sale, resigned early in the year after disagreeing with the recommendations brought in by the special committee formed to investigate the charge made by Mr. Nordon a year ago. The charges were generally proved to be unfounded, but one recommendation in particular, that the Canadian stores be segregated from the company's other businesses, did not coincide with Mr. Sales' ideas, and he therefore tendered his resignation to the board. Subsequently, three other directors resigned, and their places were filled by appointees of the board.

Mr. Cooper, the new governor, and two other directors, automatically retire from the board, and, of the three, Mr. Cooper alone will stand for re-election. The appointments of the three directors and the governor, however, must be approved of by the shareholders at the meeting, so that there are actually six vacancies on the board. Should Mr. Nordon's slate, representing the "Proprietors' Consultative Committee," be elected, a severe reorganization, including the election of a new governor, will likely take place.

Sustained Heavy Loss

During the past fiscal year, the company had a total trading loss of £746,335, from which has been deducted £1,469, which was the balance brought forward from the previous year, and £300,000 which was transferred from the dividend equalization account, leaving a balance of £444,866, which has been eliminated by a transfer from the share premiums account, being shown at nil on the balance sheet.

The land account also showed a loss. Excess payments over receipts, after re-crediting a reserve of £12,000 previously set aside for land settlement and advertising and £7,200 balance from last year, amounted to £28,222. This loss was eliminated by a transfer from the sales shop extension account, which reserve had been provided out of the land account in 1913. In addition, a further sum of £939,778 was transferred from the share premiums account and set up as reserves as follows: £476,921 against capital value of shares in advances to subsidiaries and affiliated companies; £165,897 against depreciation of merchandise and doubtful debts, and £296,960 against depreciation of buildings, etc. In all, the company's balance sheet shows a decrease in total assets of nearly £2,000,000 in comparison to last year.

Future Looks Bad

The outlook for the coming year is also regarded as gloomy. Mr. Cooper, in his report to the shareholders, says that owing to the serious agricultural position in Western Canada, aggravated by the recent drought, there can be no question but that the purchasing power of the Canadian people during the next year will be very considerably diminished and that, therefore, the shareholders must expect that the land department and the store operations of the company during the year will be carried on at a loss, and to any such loss will have to be added further considerable loss in respect of the fur trade consequent on the prevailing conditions of the fur trade throughout the world.

Mr. Cooper states that the company has no intention of selling the Canadian stores, but that before any changes are made in the stores' system, the governor and some of the members of the board should visit Canada. In the event of the shareholders confirming the appointment of Mr. Cooper and the present board, it is expected that this visit will be made in the near future.

First 1931 Threshing Brings 37c Bushel

Elgin County, Ontario, reported its first threshing this week at a point south of St. Thomas, and although wheat is reported to be a record yield averaging from 40 to 50 bushels to the acre, with an abundance of straw, millers offer only 37 cents a bushel for the product.

In the recollection of the proverbial oldest inhabitant, whose experience is said to date back 40 years, this is the lowest bid ever made for wheat. It is recalled that in 1895 the bid dropped as low as 46 cents a bushel.

THRIFT STORES CURRENT SALES ABOVE AVERAGE

Plans to Open Two New Stores Each Month

From Our Own Correspondent

MONTREAL. — Sales of Thrift Stores Ltd. in the first twenty weeks of its current fiscal year to June 27, 1931, amounted to $1,553,581. Average sales for each four weeks in the 1930-1931 period were approximately $288,000, while the average for the five four-weekly periods to June 27, 1931, was $310,716.

Another indication that business has been maintained to date is seen in the fact that sales in the first twenty weeks of $1,553,581 compare favorably with sales of $3,747,634 for the year ended March 31, 1931.

Doubled Store Chain

The company has practically doubled the number of units operated since it was formed in 1929. There have been opened six additional units since April this year, bringing the total number of stores in operation up to 60. During the last fiscal year, nine stores were added to the chain.

Further expansion is seen in the company's announced plan to open an average of two new units each month, if conditions warrant. It is understood that officials are investigating possible locations in the Eastern Townships; as yet Thrift Stores does not operate outside of Montreal with the exception of one store opened in Ottawa some time ago.

Issue Quarterly Figures

It is understood that the company will issue quarterly earnings statements henceforth, the first one will appear within the next two weeks.

Net earnings in the last fiscal year were equal to $1.30 a share on the ordinary stock, of which there are 20,000 shares outstanding. First and second preferred dividend requirements were covered without difficulty.

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B. A. OIL SHARES ARE MAINTAINED AT 1930 LEVEL

Earnings For 1931 Are Expected to Equal 1930 Figure

Results of operations of British American Oil Co. during the first half of the current year are such as to indicate that the company will maintain earnings during 1931 on at least as good a basis as in 1930, The Financial Post is reliably informed. Last year the company earned $1.01 on the 2,622,642 shares outstanding, covering the 80 cent dividend by a good margin.

Sales for all Canada are holding up well to the 1930 level.

While sales in Western Canada dropped off more sharply in May and June from the corresponding months of 1930 than was the case earlier in the year, sales in Ontario showed some increase which offset the drop in the West. Domestic demand in Ontario has increased and has more than made up for any decrease in tourist business. The number of service stations operated has been maintained at approximately the same level as in 1930. few new stations being opened and few being closed.

Refinery to Open

From May 15 to July 15 the company shipped an average of 7,500 barrels of crude daily from the East Texas field to Montreal and at the present time shipments are understood to be running around 10,000 barrels. By early September the new refinery of the company in Montreal East will be in operation. Built at a cost in excess of $1,000,000, full details of the project are not available as yet but it is believed that operation of this refinery will serve to strengthen the company's position in Quebec and Ontario, while the maritime provinces offer prospects for future development. As yet the company has not entered the latter field.

The company has nine wells in production in East Texas but has recently stopped production from its 12 or so wells in the Oklahoma City field. In this field production has been reduced by over 72 per cent. through voluntary action of large oil operators. State action in closing the remaining wells has been anticipated but has not yet been undertaken. The effect of curtailment is stated to have been a rise in the price of crude from 18 cents per barrel to 40 cents and just recently to 50 cents. This increase in price is regarded as an indication of a more favorable future trend in the industry and some hope is entertained that the oil industry may recover from its present depressed condition in the not too distant future.

ASBESTOS DATA SHOW INCREASE IN JUNE EXPORTS

Figures Still Record Wide Drop from Last Year

From Our Own Correspondent

MONTREAL. — Canadian exports of asbestos in June showed a slight expansion in total value over those of May, but a sharp decline was recorded compared with June of last year. The total for the month was $464,844, comprising 6,210 tons of asbestos valued at $351,626; 7,271 tons of asbestos and waste sand valued at $105,917 and manufactures valued at $7,301.

In the preceding month the corresponding figures were 5,967 tons at $350,038; 7,066 tons valued at $102,129 and $11,417 of manufactures, a total of $463,554.

In June of 1930, however, exports of asbestos showed a total of $816,179 which indicates a decline of $351,335 in exports of June this year in comparison. As hitherto, the United States was the best customer, imports to that country being $282,284 of the total.

Quebec Annual Figures

The extent to which the asbestos industry in Quebec suffered in 1930, a situation keenly felt by Asbestos Corp. of Canada, is seen in figures covering production for the province last year. Total production of asbestos in Quebec during 1930 amounted to 242,113 tons, valued at $8,390,164. As compared with the previous year a decline of $4,782,417 is shown, since the 1929 exports of asbestos were 306,055 tons valued at $13,172,581.

The Quebec figures therefore show a falling off 20.9 per cent in tonnage and 36.4 per cent in value for 1930, as compared with the previous year. Factors responsible for this decline were the industrial and commercial depression, competition from southern Rhodesia and price-cutting by Russia.

WINDSOR HOTEL HAS GOOD TRADE

Sault Ste. Marie Hostelry Business Exceeds Estimates

Business of the new Windsor Hotel of Sault Ste. Marie, Ont., is reported to be well in keeping with earlier estimates and average percentage of occupancy since the hotel was opened has been 74 per cent. The hotel has 160 guest rooms and for extended periods is said to have been operated at 100 per cent of capacity. Revenue in July, August and September are expected to be on a satisfactory basis since a substantial portion of the company's business is represented by tourist traffic.

When financing of the hotel was undertaken in July, 1930, with the offering of $325,000 of 6½ per cent first mortgage bonds, estimated earnings for the first full year of operation were based on an occupancy of 70 per cent and on this basis would amount to $142,891. If operations during the remainder of 1931 continue to be as satisfactory as in the first half of the year the first mortgage bond interest will be earned over 3.75 times.

Direct interest in the hotel held by Canadian Pacific Railway, Algoma Steel Corp., Abitibi Power & Paper and Great Lakes Power Co. is stated to have had a favorable influence on operations. The new section of the hotel was opened early in 1931.

Stock Market Leaders of Tomorrow

Chain Food Store Stocks Show Stability—Dominion Stores One of Obvious Leaders

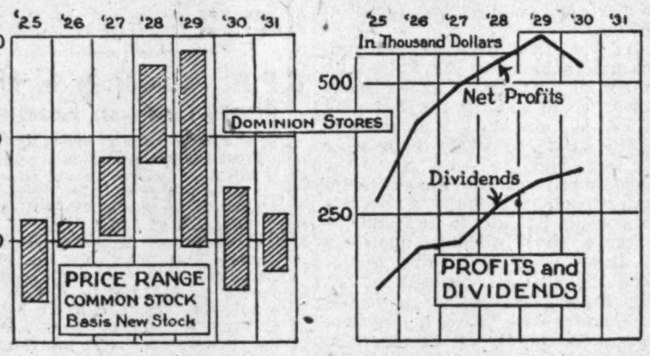
By GRANT BROWN

Article Four: DOMINION STORES

This week we return from the "feast-or-famine" type (steel stocks) to a relatively "depression-proof" group—the grocery chains. The difference is sufficiently obvious. While we can manage to do without a new steel skyscraper for a year or two, eating is a function most of us are particularly loth to omit however depressed we may be —and eating means groceries, and groceries nowadays are likely to suggest to a large percentage of city housewives grocery chains.

Status of Grocery Chains

One of the most striking features of the last decade, both in business and finance, has been the rapid spread of the chain store. "The most important single element in modern merchandising," a recent study calls it. In the United States between 1921 and 1928 the number of chain stores of every description was almost quadrupled, while their share of the total retail sales rose from about 4 per cent to more than 16 per cent. Among those which increased most rapidly were the grocery chains. Some of the reasons are not far to seek. The advantages of concentrated buying and efficient selling the grocery chains share with other groups; and in addition their merchandise is particularly suited to chain store methods. So many groceries have been standardized—partly through the popularization of standard brands by national advertising — that many articles, practically and even literally, sell themselves. Many small sales are effected. Few of the articles are bulky enough to make delivery imperative. "Repeats" are numerous. In countless localities the population is sufficiently dense to make the supervision of many small stores from a centrally located warehouse feasible.



In this field, then, it has been especially easy to reduce personal service to a minimum and to effect those economies on which the chain store prides itself. In Canada, while the grocery chain has been somewhat slower to take root, its growth in recent years has been almost as noteworthy, and for very much the same reasons.

Will They be Market Leaders

Will grocery chains retain their popularity in the next era? Are equities in them likely to be profitable when the depression has passed? Will they furnish market leaders for tomorrow?

Certain considerations suggest an affirmative answer. The last depression gave a considerable stimulus to the growth of chain stores. In the United States the oldest grocery chain dates back to the first presidential campaign of Abraham Lincoln (1860), but it was not until the years of sharply declining prices shortly after the Great War that the movement attained anything like its present proportions. Apparently the lean years made consumers anxious to get the utmost value for their money, and in the attempt they were attracted by chain store economies. The luxury of telephone and delivery or even of special attention in the store might be dispensed with if only the scarce dollars could be made a little more elastic. Most of the customers thus gained in the depression were kept by the chains in the years that followed. Hence, according to analysts, the remarkable development of the last ten years.

Dates to Last Depression

The Hudson's Bay Company, with its numerous trading posts, claims to be its progenitor. But here, too, development really dates from the last depression. Accordingly it is argued that today's thrift will bring to the grocery chains a new clientèle, many of whom will be retained. It is true, of course, that the field for expansion is narrowing and that, whereas earlier competition was between chain store and independent, it is often now between chain store and chain store—so that the phenomenal growth of the last few years is not likely to be duplicated. Moreover some of the independent stores have learned from the chains better methods of buying and selling, so, here, too, competition is keener. Nevertheless, partly for the reasons suggested above, partly for the soundness of the chain store principle, and partly too, because of its extremely efficient development at the hands of certain especially well managed chains, some further expansion of grocery chains appears probable—particularly in Canada where growth has been somewhat slower than in the United States.

Develop at Slower Rate

This expectation appears to be supported by a survey of chain stores and merchandising trends issued by the National City Bank of New York in 1930. The summing-up was that "there is no reason to doubt that well managed chains will hold their place in the system of distribution and continue to grow, but at a slower rate . . . The development of chains is a logical economic development . . . Fortified by strong cash resources and the adherence to scientific principles, the representative chain stores should come through this test all the better for their experience."

While these conclusions were drawn from a survey of the American field, they appear equally applicable to Canada. As we emerge, then, from the present depression, we may reasonably expect the most efficient Canadian grocery chains to continue their expansion—though perhaps at a more subdued pace—and in time to advance to even greater prosperity.

Dominion Stores and Loblaw's

The Canadian candidates for market leadership in this field are only two, Dominion Stores and Loblaw Groceterias. (The Great Atlantic and Pacific, although a strong chain well established in the Canadian field, does not come within our province, as it is not listed among Canadian stocks.) Both Dominion Stores and Loblaw's have many claims to consideration. Oddly enough, although they are in the same field, they are not as direct rivals as one might suppose. Their methods differ and their appeal is different. Dominion Stores has somewhat relaxed the earlier limitations of chain store service, while Loblaw's emphasizes them—in fact, as far as possible, dispenses with service altogether. Dominion Stores handle a wider variety of fruits and vegetables. Moreover, in many of its larger branches Dominion Stores has installed meat departments—a field, sometimes profitable but always complicated, which Loblaw's avoids. Loblaw's emphasizes quick service and good value. The front of each store stresses speed and economy in striking fashion:

SELF SERVE—WE SELL FOR LESS—NO WAITING.

a bold challenge to competitors.

Spheres Are Different

The two differ in some other respects. Their spheres of operation coincide only in parts of Ontario.

Dominion Stores, with a considerably larger number of units (526 in December, 1930) confines itself to Canada, but is represented in four different provinces, Ontario, Quebec, New Brunswick and Nova Scotia.

Loblaw Groceterias, though essentially a Canadian company, controls an American subsidiary with some 120 stores, 45 in Buffalo and the vicinity, 75 in Chicago. The parent company operates only in Ontario. Again, Dominion Stores and Loblaw's favor units of different size. Dominion Stores prefers the smaller unit. In the last fiscal year its average turnover per store was slightly less than $46,000. Loblaw's typical store is considerably larger with a much heavier turnover (an average of more than $171,000 per store in the last fiscal year). Curiously enough the all-Canadian chain, Dominion Stores, is listed on the main board in New York—as well as in Toronto (main board) and Montreal (curb)—and attracts some attention there, while Loblaw's, in spite of its rather large American subsidiary, arouses little market interest except in Toronto. It is listed on the New York Curb, but dealings in it there are usually negligible.

In these two Canadian grocery chains then, we have two contrasted groups, each with individual merits and each offering possibilities of market leadership. Hence it might be interesting to apply to each chain the tests suggested in Article One of this series.

Dominion Stores Under Tests

As to history and management, the growth of Dominion Stores from a chain of 63 stores in 1920 to 526 in 1930 or still more recently to 560 is in itself evidence of a large measure of success. That this has been no mushroom growth is shown by the steady expansion in both gross and net earnings. The year 1930 witnessed the only recession, a very minor decline from $2.17 to $1.91 per share—and already the growth both in gross and net has been resumed. The strong liquid position—with cash, call loans and Dominion of Canada bonds amounting to $1,682,000 odd and a current ratio of 3.35 to 1—constitutes a further proof of good management and at the same time satisfies another of our tests—the possession of adequate current assets.

A fourth test, the demand for the product — in this case chain store service—has already been discussed, and the outlook appears to be satisfactory. As to a fifth point, competition, it might be added that, although competition in this field is keen, the fact that Dominion Stores has continued to expand, to strengthen its position, and to maintain its profits even during the depression augurs well for the ability of this chain to meet competition in the future. In regard to political interference, there appears to be little danger in Canada of discriminatory taxation aimed directly at chain stores such as has been advocated—and, in one instance at least, passed—in several American States.

The marked record of Dominion Stores suggests the possibility of future leadership. The old stock advanced irregularly from a low of 24½ in 1924 to a high of 175 in 1929, when shareholders, on payment of $10 for each share held received two new shares—almost a three for one split. The high for the new stock was 55. Dividends were first declared on the common stock in 1923. Since that date the rate has been increased three times and has been further augmented occasionally by stock issues carrying valuable rights and in April, 1930, by a stock bonus of 2 per cent. The present dividend is $1.20 per annum. Investors in Dominion Stores then have little reason to complain.

Current Position of Company

The president, W. J. Pentland, in connection with the last annual report, made some illuminating statements. He pointed out that the small decrease in dollar sales (2.12 per cent) from 1929, concealed an actual increase in volume in view of the much larger shrinkage in commodity prices—an increase particularly encouraging in a year of depression. He also disclosed the fact that a considerable part of the expense attendant on the installation of more than fifty fresh meat departments had been absorbed into current expenses. He found signs of improvement in their field of operations. Later returns, showing an increase of about $500,000 in sales for the first half of the current year, seem to justify his statement—even though the increase is partly due to the acquisition of new units. Further additions to the chain (e.g., the recent purchase of 12 units from the Stop and Shop chain) indicate the confidence of the management in the outlook and the possibilities of future expansion. Considering present conditions, the cash dividend of $1.20 appears to be sufficiently well protected. Last year's net of $1.91 seems likely to be increased as the new meat and fish departments and the new store units begin to return in profits a larger proportion of the initial expenditure.

So much for Dominion Stores. In order that our discussion of Loblaw's should not be unfairly limited or circumscribed by the limitations of space a more detailed examination of that company may well be held over until next week.

Montreal Industrial Body Opens Expansion Campaign

Montreal Industrial Commission has just launched its first broadside in a campaign for more industries by the publication of a 140-page booklet containing a synopsis of all available data regarding the existing industries of that city, and its advantages as a commercial centre, under the title, "Montreal the Metropolis of Canada."

Many articles are contributed by well-known heads of public utilities and other leaders of finance and industry, while the book contains statistical matter, profusely illustrated and bears a striking cover design.

In a short preface, J. B. Baillargeon, president of the Industrial Commission, states that an industrial survey of the city is now in progress and promises more comprehensive data to follow.

U. S. Radio-Part Concern to Open Plant in Toronto

Toronto Industrial Commission announces that the Erie Resistor Corp. of Erie, Pa., manufacturers of radio parts, has leased space in Toronto where assembling operations will be commenced shortly.

Company has been selling its products in this country for several years, the market having developed to a point to justify the present move. Approximately 90 per cent of the labor cost of producing their resistors will be expended in Toronto, according to R. Weese, the company's Canadian manager.

Plan Plant at Lloydminster

The erection of a $25,000 evaporation plant near Lloydminster will be undertaken if an expected strike of water containing calcium chloride is made in a well being drilled in the Ribstone area. An important industry will be developed if a sufficient supply of chloride is found in the neighborhood of Ribstone.

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Utilities and Transportation

ELECTRIC OUTPUT FOR CURRENT YEAR RECORDS DECLINE

Ontario Shows Marked Falling Off — Other Areas Hold

From Our Own Correspondent

MONTREAL.—Though output of central electric stations in Canada established a new record in 1930, anticipations were that the 1931 figures would bear a closer relationship to industrial activity. Monthly figures issued by the Dominion Bureau of Statistics now indicate that the current year's production will be well below that in 1930, unless there is a marked pick-up in the last half of the year.

During May last output of all central electric stations amounted to 1,359,772 thousands of kilowatt hours. This compared with 1,544,627 thousands of kilowatt hours in the same months a year ago, and is one of the lowest monthly figures recorded since 1928.

Daily Average Low

On the basis of the average daily output, May recorded 43,864 thousands of kilowatt hours—the lowest for any one month since September, 1928.

Following is the distribution of central electric station output in thousands of kilowatt hours, generated by water power in May, 1931, together with comparative figures for the same month last year in brackets: Maritime provinces 53,399 (44,139); Quebec 693,565 (761,327); Ontario 394,243 (524,679); Prairie Provinces, 102,640 (100,116); British Columbia 98,771 (93,260).

Cumulative Returns Off

The manner in which production has fallen off this year is better illustrated by an examination of the cumulative figures for the first five months of this year, in comparison with the same months in 1930. Total output of central electric stations in thousands of kilowatt hours amounted to 6,999,405 for the first five months of this year, as against 7,515,336 for the corresponding period last year.

Returns show that of the production for this year electric energy generated by water power accounted for 6,890,157 thousands of kilowatt hours and by fuel, 109,248 thousands of kilowatt hours. For the same period in 1930 output generated by water power totalled 7,380,448 thousands of kilowatt hours and by fuel 134,888 thousands of kilowatt hours.

Ontario Decline Marked

Following are the outputs of central electric stations by areas in the first five months of 1931 compared to the same period in 1930, in thousands of kilowatt hours:

Generated by Water Power	1931	1930
Maritimes	215,882	179,729
Quebec	3,525,179	3,680,267
Ontario	2,153,288	2,601,027
Prairies	492,750	469,638
British Columbia	503,558	449,787
Generated by Fuel		
Prairies	81,214	92,890
Other prov.	28,034	41,998

It will be noted that increases in electric energy generated by water power were recorded in the Maritimes, Prairie Provinces and British Columbia, while Quebec recorded a slight decrease. The marked falling off in the output of Ontario stations is a feature of the Government's report this year, the decline for 1931 amounting to nearly 20 per cent.

Export Trend Lower

Between January and the end of May, 1931, exports of electric energy from Canada totalled 620,344 thousands of kilowatt hours. This is an increase of approximately 17,000 thousands of kilowatt hours over the same period last year. Offsetting this favorable showing, however, is the fact that since the beginning of the current year, exports of energy have declined steadily and in May totalled only 86,824 thousands of kilowatt hours. This is the lowest figure on exports recorded by the Government for the past three years or more.

New C. N. R. Car Ferry Begins Regular Service

From Our Own Correspondent

MONTREAL.—The new ice-breaking car ferry, S. S. Charlottetown, of the Canadian National Railways, went into service on July 26. The vessel has a capacity of 16 railway cars and can carry from 40 to 50 automobiles.

The ship was constructed at Lauzon, Que., and will be used on the Cape Tormentine-Borden run replacing an old vessel which has been in operation since 1915.

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Kelvinator Sales Show 36 p.c. Increase

Kelvinator of Canada, Ltd., is experiencing good business in the current year and total dollar billings for the nine months ended June 30, 1931, were approximately 36 per cent in excess of the corresponding period in 1930. The increase is not restricted to any particular part of the Dominion, according to Kelvinator officials.

If operations continue on as satisfactory a basis during the last quarter of the fiscal year, which ends on September 30, it would appear that the company would be in a position to write off remaining deficit brought forward from previous years and to show some surplus for the first time. In 1930, the company showed a net profit, after provision for depreciation and income tax, of $80,593.

CITY GAS CORP. ACQUIRES ASSETS OF QUEBEC GAS

New Company Plans to Supply Gas to Three Rivers

From Our Own Correspondent

MONTREAL.—A new company known as City Gas and Electric Corp. has been formed by Montreal interests to acquire Quebec Gas and Electric Corp. on a share exchange basis. Details of the new company's capitalization have not been disclosed; it is understood that no financing has yet been undertaken.

Through acquisition of Quebec Gas, City Gas and Electric has acquired a franchise to manufacture and distribute gas in Three Rivers. Interests back of the new company propose aggressive steps to bring the original plans of Quebec Gas to fruition.

It is pointed out that Three Rivers provides a good field for gas distribution and the neighboring town of Cap de la Madeleine might also prove a potential source of sales, though as yet a franchise in that city has not been obtained.

Plans Never Matured

The history of Quebec Gas and Electric Corp. was one of mismanagement and uncompleted plans. The company was formed in 1927 and a franchise was granted on the understanding that a gas plant would be built and in a position to supply Three Rivers by the end of 1928. Some $250,000 of securities is reported to have been sold but no plant was completed and operations were never commenced.

Consequently City Gas and Electric is taking over a franchise, a piece of property and about two miles of gas mains. Interests now in control of the situation see material potentialities in the district and feel that adoption of new policies and proper methods of management should result in the development of an efficient gas service in Three Rivers.

While plans of City Gas and Electric have not been disclosed it is thought they may include an extension of activity to other towns. A statement is anticipated within the next two weeks.

PEACE RIVER LINE STILL URGED BY B. C.

Government Offers P. G. E. Completion as Its Own Share

VANCOUVER.—The British Columbia Government has offered to the federal government to proceed with construction northward of the Pacific Great Eastern Railway on its own iniative as an unemployment relief measure provided that Ottawa will agree to start on a rail outlet from the Peace River within a reasonable time.

So far, however, there has been no word from Ottawa as to whether this scheme is acceptable to the federal authorities.

Meanwhile provincial officials and business interests on the coast are somewhat disappointed by the apparent decision of the federal authorities to leave the Peace River outlet question to a committee of three engineers. The provincial government contends that such a programme would only result in further delay as the ground has all been gone over before, and a new investigation would probably require a year or two to complete.

The provincial government is bombarding Ottawa with wires asking for a specific statement of federal policy in this connection. Largely at the instance of the federal government, the province undertook a joint investigation with the Canadian Pacific Railway and the Canadian National Railways to ascertain the engineering and other data necessary to determining a construction programme from the Peace River. This information has been collected, and the provincial government does not see that anything can be gained by the appointment of another committee to go over the same ground.

Toronto Light Users Get Rate Reduction

Commercial light users in Toronto will shortly be treated to their first major rate reduction since 1911, if plans formally submitted for final approval to the provincial hydro commission are approved. The drop involves a 12 per cent reduction for alternating current used for commercial lighting and is estimated to bring about an annual saving of $300,000 to users. This follows the five per cent cut last winter in the commercial power or manufacturers' rate, effecting a total reduction of $125,000 annually.

An important feature of yesterday's action is that the commercial reductions can be effected without any proportionate raising of the rates for domestic consumers, as was originally proposed in 1926, and that no deficits are expected to result. In case any deficits do result, large surpluses piled up by the local Hydro in the past two years, through rebates from the Provincial Commission, have swelled to $900,000 the stabilization fund set up to assist rate reductions.

DETROIT BRIDGE TRAFFIC IS OFF 40 P.C. FROM 1930

Expected to Pass First Mortgage Bond Interest Due August 1

Operations of Detroit International Bridge Co., during the six months ended June 30, have been such that payment of interest due August 1 on the 6½ per cent first mortgage bonds of the company is not likely to be paid, although no official notice has as yet been given by the company, according to a letter forwarded to bond holders by Dominion Securities Corp. Volume of traffic on the bridge has amounted to only 60 per cent of the traffic carried in the corresponding period of 1930.

Decrease in traffic is the result of the large number of unemployed in Detroit and vicinity and more stringent immigration restrictions which have had a deterrent effect. Changes made by the management on the advice of the bondholders' protective committee have already resulted in some increase in traffic, it is stated, and this favorable trend should be reflected in a relatively better showing in the second half of the year. The bridge is stated to be obtaining a fair share of the total cross river traffic.

Controllable expenses, such as operating and administrative costs, have been reduced substantially, the advertising appropriation alone having been increased. Taxes, on the other hand, which are an uncontrollable expense, have risen. Every effort is being made to effect economies.

Constructive efforts of the first mortgage bondholders' protective committee, formed last February, have assisted in increasing traffic and reducing expenditures. The letter concludes by urging bondholders, who have not already deposited their bonds, to do so in order that the committee will be in as strong a position as possible.

WINNIPEG HYDRO FINISHING WORK AT SLAVE FALLS

Two Units of 12,000 H. P. Scheduled for Sept. 1

From Our Own Correspondent

MONTREAL.—Winnipeg Hydro will increase its output of hydro-electric power by 24,000 h.p. on September 1, the date on which its Slave Falls development on the Winnipeg River will be brought into operation.

The project, which was placed under construction in 1929, is designed for eight 12,000 h.p. units, or a total of 96,000 h.p. Power will be carried to Winnipeg over a transmission line 86 miles in length. Winnipeg Hydro operates a second plant on the Winnipeg River at Pointe du Bois where 105,000 h.p. is installed.

Two New Developments

While the publicly-owned utility is bringing into production a new source of power in September, the privately-owned Winnipeg Electric Co., through its subsidiary, Northwestern Power Co., recently started operations with an initial delivery of 37,500 h.p. A third unit at the company's site at Seven Sisters Falls on the Winnipeg River will be ready to operate in September, making a total of 56,250 h.p. under partial head.

Under full head the same three machines, which constitute the initial installation, will produce 112,500 h.p. or 50 per cent of the designed capacity of 225,000 h.p. to be attained when installation is completed to the total of six machines. Manitoba Power Co., another subsidiary, produces 168,000 horsepower at Great Falls.

Started Output in 1906

The opening of the two plants on the Winnipeg River recall the first hydro-electric development in Manitoba when Winnipeg Electric Co. opened its Pinawa plant in 1906 and transmitted the power some 60 miles to Winnipeg. This old plant is still in operation and delivers about 37,800 h.p.

Since that time various developments have been undertaken until today some 371,800 h.p. is developed on the Winnipeg River for consumption in Winnipeg and surrounding territory. Further installations planned in present civic and company plants will bring this total up to around 632,000 h.p.

Public Utility Earnings

Minn., St. Paul and S. S. Marie Ry. Soo Line System

June:	1931 $	1930 $
Total revenues	2,600,779	3,521,879
Total exp.	2,013,622	2,684,781
Net ry. rev.	587,157	837,098
Taxes, etc.	206,945	226,456
Equip., hire	59,525	76,143
Term. rentals	74,908	74,208
Other inc. loss	38,619	22,551
Int. on funded debt	562,741	551,047
Net deficit	355,581	113,308
Aggre. deficit Jan. 1 to June 30	3,678,403	2,908,500

Twin City Rapid Transit

2nd Quarter:	1931 $	1930 $	% Inc. or Dec.
Gross	2,724,780	3,019,470	— 9.76
Oper. exp.	2,109,071	2,226,077	— 5.26
Net rev.	615,709	793,392	—22.40
Fixed ch. & taxes	502,783	581,966	—13.61
Net inc.	112,926	211,426	—46.59

Mexico Tramways Co.

June:	1931 Pesos	1930 Pesos	Decr. Pesos
Gross earn.	772,340	838,560	66,220
Oper. & depr. exp.	849,820	902,540	52,720
Deficit	77,480	63,980	13,500
Aggre. gross from Jan. 1	4,616,550	5,022,770	406,220
Aggre. net from Jan. 1	*515.220	*340,390	174,830

*Deficit.

Mexican Light & Power Co.

June:	1931 Pesos	1930 Pesos	Inc. or Decr. Pesos
Gross earn.	1,866,010	1,855,190	10,820
Oper. & depr. exp.	1,152,010	990,200	161,810
Net earn.	714,000	864,990	†150,990
Aggre. gross from Jan.	12,086,255	11,480,584	605,671
Aggre. net from Jan. 1	5,484,750	5,714,410	†229,660

†Decrease.

PLANS ANNOUNCED FOR NEW PLANT OF B. C. ELECTRIC

Eventual Capacity Will be 157,000 H.P. on Island

From Our Own Correspondent

VANCOUVER.—Electric power was made available this month by British Columbia Electric to gangs boring the new water-supply tunnel under the First Narrows and provision has been made for a maximum load to meet the contractor's requirements.

Marked improvement in the intensities of street lighting in western Canadian cities is pointed out by officials of the light and power department of the B. C. Electric Railway company. They predict that where intensities ranging from 50 to 125 lumens per foot prevail at present, the near future will show an increase to an intensity double this in value. The lumen is the unit of light quality and is the illumination given by one candle power at a distance of one foot.

Recent installations of combined trolley and ornamental lighting brackets on the streets of several British Columbia cities are splendid examples of this combination.

Plans Large Development

Plans for a hydro-electric development of 157,000 horsepower at the Campbell River site on Vancouver Island were filed with the provincial water board at Victoria last month by the B. C. Electric Railway company, the project calling for the construction of three large power plants which will harness virtually the entire flow of Campbell River from Buttle Lake to the sea, an operating head of 550 feet.

As the first step in the programme a plant at Elk Falls with an initial capacity of 16,000 horsepower would be built, the damming of Buttle Lake being first accomplished by a temporary dam some 10 feet high to hold the Lake permanently at its present high water level. Eventually a concrete dam would be built to impound the water a short distance upstream at Irene Pool. With this higher head the ultimate capacity of the Elk Falls plant would be 93,500 horsepower with 71,000 horsepower continuous supply at all times.

Double Expected Power

A second plant would be located at Trout Pool nearer the sea, with an ultimate capacity of 18,000 horsepower and 14,000 horsepower continuous supply. Further up the stream near its intake on Lower Campbell Falls, the third plant would be built. It is proposed to construct a diversion tunnel about a mile long to carry the water across what is now a big bend in the river to the power plant which would generate 45,600 horsepower with 34,200 horsepower continuous supply.

Thus the total development would provide for an ultimate capacity of 157,000 horsepower or 119,200 horsepower continuously. This is almost twice the volume which official reports had indicated was obtainable from the river. The B. C. Electric plant is thus considered highly efficient from the standpoint of total output.

New Buses Added

One of the two new 31-passenger street car type buses ordered by the B. C. Electric Railway Company to augment the feeder lines of its city transportation system arrived in Vancouver on Saturday, July 18, and goes into service immediately.

Red Seal Homes Increase

The first six months of 1931 show an increase in the number of Red Seal homes constructed in the Vancouver district over the same period last year according to R. Hall, acting secretary of the Electrical Service League of British Columbia.

One of the largest gas heating installation in Vancouver was completed this month at the new ice rink on the Hastings Park exhibition grounds. The new building is to be used for the automobile show at this year's Pacific exhibition and subsequently for ice skating and curling.

Marking the inauguration of a regular programme of sports by artificial illumination the first game of baseball to be played at night in Canada was staged on July 3 at Athletic Park, Vancouver.

At the opening game on July 3, W. G. Murrin, president of the B. C. Electric Railway company, turned on the lights at precisely 9 p.m. ushering in a series of events which will continue throughout the season.

TWIN CITY PROFIT CONTINUES TO DROP

Is Down 48 p.c. as Compared With First Half of Previous Year

Twin City Rapid Transit Co. reports consolidated net income of $112,925 for the quarter ended June 30, after taxes and fixed charges. This represents a decrease of over 46 per cent from the net profit of the corresponding quarter of 1930 which amounted to $211,426. After payment of preferred dividends there remained earnings of somewhat over 27 cents per share on the 220,000 shares of $100 par value common as compared with 72 cents per share in the same quarter of 1930 and 77 cents in the first quarter of 1931.

The net profit for the first six months of 1931 is $334,242, 48 per cent under the $645,038 reported for the same period of 1930. Per share earnings on the common amount to $1.04 in the first half of 1931 as against $2.45 in 1930.

Gross earnings showed some decrease in the second quarter ended June 30 as compared with the first quarter while operating expenses were also down. The decrease from the second quarter of 1930 was not as pronounced, as was the difference between the first quarters of 1931 and 1930. For the first six months of 1931, gross earnings at $5,707,024 were 13.5 per cent lower than in 1930; operating expenses were 8.5 per cent lower at $4,358,474, while net earnings dropped to $1,348,550 from $1,832,059, a difference of 26.4 per cent. After fixed charges and taxes of $1,014,308 net profit for the half year was $334,242 against $645,038 in 1930, a drop of 48.18 per cent.

MEXICAN UTILITIES NET EARNINGS DOWN

Tramway Company Continues to Report Operating Deficit

Mexico Tramways Co. and subsidiaries had gross earnings in June of 772,340 pesos, 7.9 per cent below June, 1930, gross earnings. Despite a 5.85 per cent decrease in operating expenses and depreciation a deficit of 77,480 pesos was incurred on the month as against a deficit of 68,980 pesos in June, 1930.

For the six months ended June 30, 1931, deficit amounts to 515,220 pesos as compared with 304,390 pesos in the same period of 1930. For the period gross earnings of 4,616,550 pesos are 8.08 per cent under the same period of 1930 while operating expenses and depreciation at 5,131,770 pesos are 4.31 per cent lower.

June operations of Mexican Light & Power Co. and subsidiaries were not as satisfactory as in previous months and show a greater decrease from the corresponding month in 1930 than has any month of the current year. Net earnings amounted to 714,000 pesos or 17.45 per cent under June, 1930. In the six months ended June 30, 1931, however, net earnings at 5,484,750 pesos have dropped only 4.02 per cent from the same period in 1930.

Official results of June operations for the two companies and their subsidiaries are as follows:

Mexico Tramways Company and Subsidiaries

June:	1931 Pesos	1930 Pesos
Gross earn.	772,340	738,560
Oper. & dep. exp.	849,820	902,540
Net earnings	x77,480	x63,980
Ag. gross from Jan. 1	4,616,550	5,022,770
Ag. net from Jan. 1	x515,220	x340,390

x—Deficit.

Mexican Light and Power Company and Subsidiaries

June:	1931 Pesos	1930 Pesos
Gross earnings	1,866,010	1,855,190
Oper. & dep. exp.	1,152,010	990,200
Net earnings	714,000	864,990
Ag. gross from Jan. 1	12,086,255	11,480,584
Ag. net from Jan. 1	5,484,750	5,714,410

C.P.R. Subsidiary in U.S. Shows Drop in Earnings

For the three months ended June 30 last, gross revenue of the Minneapolis, St. Paul & Sault Ste. Marie Railway Co., a subsidiary of the Canadian Pacific Railway, was $7,635,271, showing a decrease of $2,495,792 from the $10,131,063 shown in the corresponding period last year. Net operating income for the second quarter amounted to $227,252 in comparison with $813,704 last year, and a deficit of $351,902 in the first three months of the current year. Net loss for the second quarter in 1931 amounted to $1,572,822 as against $910,390 in 1930, and $2,105,580 in the first quarter of 1931.

Gross revenue of $14,639,140 for the first six months of this year shows a drop of $4,144,992 from $18,784,132 last year. Net operating income shows a deficit of $124,650 in the first half of this year in comparison with a profit of $506,254 for the same period in 1930, while the net loss amounted to $3,678,402 as against $2,908,501.

Excluding the operations of the Wisconsin Central Railway, net loss over the first six months of this year amounted to $2,051,593, which compares with $1,525,337 for the like period of 1930.

Barcelona Traction Earnings Are Down

Gross earnings of Barcelona Traction, Light & Power Co., during June amounted to 8,109,332 pesetas, a decline of 1.03 per cent in comparison with June, 1930. Operating expenses in the same month accounted for 2,825,672 pesetas, representing a decrease of 3.40 per cent, while net earnings for June at 5,283,660 pesetas remain practically unchanged, showing an increase of only 0.29 per cent over June last year.

For the six months ended June 30 last, gross earnings were 54,738,320 pesetas as against 54,157,557 pesetas for the corresponding period last year. Operating expenses for the six months amounted to 18,752,652 pesetas, an increase of 6.63 per cent, and net earnings at 35,985,668 pesetas, in comparison with the first six months of 1930, show a decrease of 1.60 per cent.

Appoint New Board for Chignecto Canal

From Our Own Correspondent

MONTREAL. — A new Chignecto canal commission has been appointed by an Order-in-Council to succeed the Royal Commission appointed in June, 1930. The new body consists of Stephen B. Leacock, Montreal; David W. Robb, Amherst, N.S.; John F. Sewards, Kingston, and Hon. Dr. Manion, Minister of Railways and Canals.

The commission will seek necessary information to enable the government to determine whether the construction of the proposed Chignecto Canal should be proceeded with. The enquiry will include not only the physical features which have already been examined by engineers, but also a study of the economic and national aspects of the proposal to connect the waters of the Straits of Northumberland and the Bay of Fundy by an 18-mile waterway across the isthmus of Chignecto.

Final Plans Made for Saint John Port

From Our Own Correspondent

MONTREAL.—Final arrangements for rehabilitation of the port of Saint John were made recently when representatives of the various shipping lines utilizing the harbor and Sir Alexander Gibb, noted port authority, went into conference with the Board of Harbor Commissioners and shipping agents. Following the meeting, Sir Alexander Gibb stated that it could be reasonably expected that berths 5, 6, 7, 15 and 16, and possibly 17, would be ready for next winter's business.

Bills providing for an advance of $10,000,000 to the Saint John Harbor Commission by the Dominion Government have been given a first reading in the House; the sum originally provided was $3,500,000, but the recent fire made necessary extensive reconstruction work.

C. P. R. Makes Tests With New "8,000" Giant

From Our Own Correspondent

MONTREAL. — The Canadian Pacific Railway has carried out successful tests with its new type of engine known as the "8,000" multi-pressure locomotive which is 100 feet long and weighs neary 400 tons. The engine has been built for heavy freight and passenger service in the Rockies.

The tractive effort of the locomotive is 90,000 pounds, which means that on a level track, the "8,000" normally will haul 150, 40-ton freight cars or a total weight of 6,000 tons. On its first trial run it exceeded this load by 1,961 pounds, nearly one-third more than it was designed for.

The locomotive was built at the C. P. R. Angus shops at Montreal.

NEW CERTIFICATES OF ALGOMA READY

Holders of Deposit Receipts Receive Notice

From Our Own Correspondent

MONTREAL. — Application of Algoma Consolidated Corp. for listing its shares on the Philadelphia Stock Exchange is reported to have been recommended for acceptance by the Governors of the Exchange. It is also the intention of the corporation to have its share listed in Montreal.

In anticipation of a Philadelphia listing, the Corporation Guarantee and Trust Co. of Philadelphia has issued a circular to holders of deposit receipts for stock of Lake Superior Corp., deposited under agreement dated December 20. The agreement became operative recently through concurrence of bondholders to its terms.

Certificates Available

The necessary share certificates of Algoma Consolidated Corp. are now available for issue, the circular states, and it is is requested that holders of deposit receipts lodge them for exchange into certificates of preferred and common stock of the new holding company. Deposit holders are entitled to receive certificates in Algoma Consolidated on the basis of one 7 per cent $5 preferred share and one comman no par value share for each common share of Lake Superior Corp. deposited with the trust company. Receipts were issued against shares deposited.

Morgan Eastman Merges With McConnell, Fergusson

McConnell & Fergusson, Ltd., and the Eastman Advertising Co. have merged. The Eastman Advertising Co. is one of the outstanding western advertising firms and has been identi-

MORGAN EASTMAN

fied with the industrial development in Vancouver and the West for the past 13 years.

Morgan Eastman, its head, is prominently associated with various business enterprises and community activities.

McConnell & Fergusson, Ltd., advertising agency, has offices at Montreal, Toronto, London, Hamilton, Winnipeg, Vancouver, and London, Eng.

V. C. Irons, a director for over five years, will continue in charge of the Vancouver offices, in the Hall Building, which are being enlarged to accommodate the increased staff.

Mr. Eastman will be a director of the firm. His official duties will be that of chairman of the merchandising board for the entire organization.

Toronto Hockey Club Will Distribute Assets

The annual meeting of Toronto Maple Leaf Hockey Club Ltd. will be held on August 4 and shareholders will be asked to ratify the exchange of shares of Maple Leaf Gardens Ltd. for their present shares on the basis of one share of $10 par value preferred and two shares of common stock of no par value of the new company for each two shares held in the old company. Distribution of the money held by Toronto Maple Leaf Hockey Club will be distributed rateably among shareholders.

The National Hockey League team and franchise and other assets of the company have already been disposed of to Maple Leaf Gardens Ltd. which is building a new hockey arena in Toronto. Financing of this project was undertaken by the company early in March.

Supertest Petroleum Issues Bearer Warrants

Supertest Petroleum Corp. has issued bearer share warrants to replace the registered certificates of the common and ordinary stocks now outstanding. On and after August 1 the Toronto Stock Exchange has ruled that only bearer share warrants shall be good for delivery. The registered certificates can now be exchanged for bearer warrants without cost.

The ordinary non-voting stock of the corporation is now being traded on the securities section of the New York Produce Exchange.

Extends Picton System

From Our Own Correspondent

MONTREAL.—Nova Scotia Power Commission has awarded contracts for the erection of the extension of the hydro-electric line of the Picton County Power Board from Thorburn to Antigonish. It is expected that the contract will be finished in October

Province of Manitoba
4½% Bonds
10 year Bonds—due August 1st, 1941
20 year Bonds—due August 1st, 1951
Manitoba is the fourth largest Province in Canada, and, in addition to its prominence in agriculture, the Province has made rapid strides in manufacturing, and development of mineral resources, including copper, gold and zinc. Winnipeg, the capital of Manitoba, is the fourth largest city in Canada.
Principal and half-yearly interest of the above bonds are payable in the principal Canadian cities and New York. Bonds may be obtained in $1,000 denomination, registerable as to principal.
Prices:
1941 maturity: 97.64 yielding 4.80%
1951 maturity: 95.75 yielding 4.83%
Wood, Gundy & Company Limited
Toronto Montreal Winnipeg
Vancouver New York London, Eng.

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In addition, the service supplies you throughout the year with current items of importance affecting the companies whose securities you select. The review of Montreal Power, illustrated above, is a 12 page booklet giving important facts about the company.

Many individual investors are using these special services, thus benefitting from the investigations and research of The Financial Post Corporation Service. The information cards supplied in these services are identical with those contained in the complete service which covers all important Canadian companies and is priced at $20 a month.

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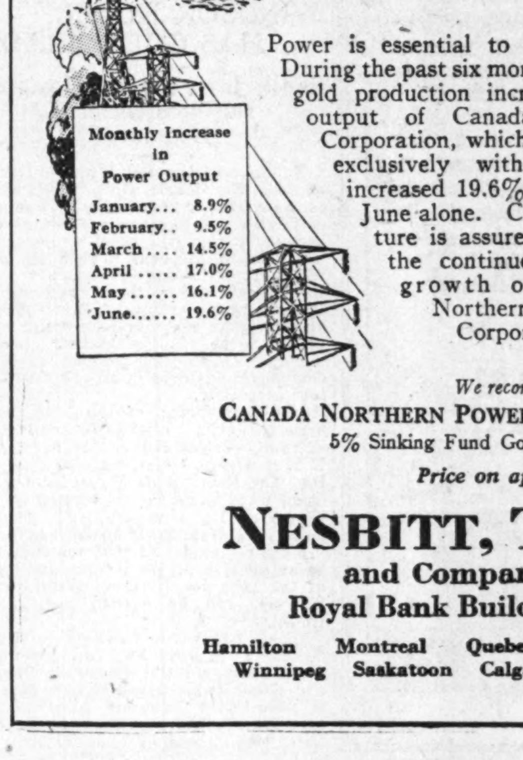
Power Keeps Pace
WITH INCREASED GOLD PRODUCTION



Power is essential to the production of gold. During the past six months, Northern Ontario's gold production increased 18.5%. Power output of Canada Northern Power Corporation, which serves this district exclusively with electric power, increased 19.6% in the month of June alone. Canada's gold future is assured and with it the continued successful growth of Canada Northern Power Corporation.

We recommend
CANADA NORTHERN POWER CORPORATION LIMITED
5% Sinking Fund Gold Bonds, due 1953
Price on application
NESBITT, THOMSON and Company Limited
Royal Bank Building, TORONTO
Hamilton Montreal Quebec Ottawa London, Ont.
Winnipeg Saskatoon Calgary Victoria Vancouver
940

News of Investment Markets

ASSOCIATED CO. SEEKS CONTROL MARITIME TEL.

Associated Telephone Said to Want Eastern Property

ACTIVITY IN STOCK

Nova Scotia Utility Records Growth in Operations Over Past Few Years

From Our Own Correspondent

MONTREAL.—Control of Maritime Telegraph and Telephone Co. is said to be sought by Associated Telephone and Telegraph Co. It is reported that the latter already holds a stock interest in the former company, but has not yet acquired majority control.

There was a flurry in the stock of Maritime Telephone a short time ago, when it was reported that the Bell Telephone Co. of Canada was seeking a bigger interest in the enterprise. No confirmation was to be had of this report, but though matters were allowed to quiet down, there has continued a strong demand for the stock, the assumption being on account of Associated Telephone.

Maritime Telephone operates the telephone system of Nova Scotia, and through a subsidiary, Atlantic Utilities, of Prince Edward Island.

Growth More Marked

During the past few years it has experienced rapid growth and at present has in use over 4,000 miles of pole lines, over 72,000 miles of wire and 40,246 telephones. In addition it has a 99-year lease from 1910 on the copper submarine cable between Prince Edward Island and Nova Scotia.

The demand for service during 1929 and 1930 was such that the company was compelled to make large additions and improvements to its plant and equipment. This necessitated the largest expenditure of capital the company ever had to undertake in any one year of its history. New additions were made to plant during 1930, involving an outlay of approximately $1,320,000. About $200,000 of this was spent on land and buildings, while the balance went into local exchange and toll lines, central office equipment, subscribers' telephone equipment, etc.

Revenues on Upgrade

Steady improvement has been made in operating revenue, gross income increasing from $1,477,025 in 1924 to $1,887,228 in 1930. Over the same period net earnings advanced about 25 per cent to $507,733.

At present Maritime Telephone and Telegraph has outstanding a funded debt totalling $2,500,000 and $1,500,000 of 7 per cent preferred stock. Common stock outstanding at the end of last year totalled $2,660,220, made up of shares of the par value of $10 each. A dividend of 80 cents a share is being paid on the latter stock.

Issue Stock Rights

Owing to the rapid expansion of the company in the last two or three years and the heavy capital outlay involved, the working capital position of the company has been affected. At the end of 1930 there was an excess of current liabilities over current assets of $256,466. This will be taken care of as a result of recent offering of rights to common and preferred shareholders to subscribe to additional common stock at $9.80 a share, in the ratio of one additional share for each five held.

Associated Interested Here

Associated Telephone and Telegraph, the company reported to be seeking control of Maritime Telephone Co., is an American organization with extensive holdings in many countries. Its principal Canadian interest is in the British Columbia Telephone Co., which it controls. It also has controlling interest in the Northwest Telephone Co., Eugene F. Phillips Electrical Works and the Independent Sales and Engineering Co., of Vancouver.

Over the last year or so there has developed a Canadian interest in Associated Telephone and Telegraph Co. through the public offering of its securities, as well as those of the British Columbia Telephone Co.

North Scotland Mtge. Income Lower in West

North of Scotland Canadian Mortgage Co., chief investments of which are in Western Canada, experienced a drop in income, in the year ended May 15, 1931, to £124,508 as compared with £135,166 in the previous year, while net profit dropped to £64,351 from £56,116. Dividend of 7½ per cent was paid on the paid-up capital of £276,000 and directors recommend a further payment of 2½ per cent bringing the amount paid in the year to 10 per cent as compared with 15 per cent in previous years.

Canadian investments of the company are shown at £1,882,365, a decrease from the £1,934,887 shown in 1930. Included in the total is £1,756,257 in mortgages on real estate down from £1,822,000 shown in 1930, while real estate, foreclosures, are down to £20,529 from £45,888 after a provision of £41,210 for reduction of this item. Interest accrued on mortgages is up to £93,057 from £66,848. Assets in Scotland are shown at £17,857, down somewhat from the £18,392 shown in 1930.

Little change is noted in liabilities of the company. Special reserve for accrued interest is down to £50,000 from £84,000, terminable debentures and deposit receipts are up to £553,851 from £529,465 and balance at credit of appropriation account is down to £29,415 from £60,720 after the amount of £41,210 transferred to reduction of real estate. Debenture stock outstanding of £548,455, exclusive of terminable debentures, is substantially the same. An amount of £10,097 owing Canadian banks in 1930 is no longer shown and sundry credit balances are down to £17,470 from £19,571.

The record of the company in recent years is as follows:

Earnings Record, Years Ended May 15

Year	Paid-up Capital	xProfits	Earn. %	Div. Rate
1929	£276,000	£64,082	23.2	15%
1930	276,000	64,350	23.3	15
1931	276,000	56,116	20.2	15

x—Subject to income tax in Great Britain and Canada.

PACIFIC MEAT ISSUES BONDS TO RETIRE LOAN

Company Shows Consistent Growth Over Past Ten Years

Offering is being made, principally in British Columbia and Alberta, of an issue of $100,000 7 per cent 20-year first mortgage bonds of Pacific Meat Co. The company has been in business in Vancouver, as a private company since 1918 and confines its activities strictly to the meat business, including fresh, cured and canned meats. It is understood that over $70,000 of the issue is already sold.

Annual sales of the company since 1921 have shown a steady increase from year to year in dollar volume, while in only two years out of the past ten has tonnage of sales declined. In 1921, 3,902,227 lbs. of meat were sold valued at $593,696 and in 1930 sales amounted to 6,498,448 lbs. valued at $1,227,538. While net earnings available for income tax, depreciation and bond interest dropped to $21,294 in 1930 from $45,993 in 1929 it is stated that the net earnings in the first six months of the current year amount to $20,584, or almost up to the net earnings for the entire year of 1930.

Has Good Surplus

Balance sheet of the company at Nov. 10, 1930, after giving effect to present financing shows total assets of $532,372 of which $214,136 is termed current and $306,668 is value placed on land, buildings and equipment. Current liabilities are stated at $50,309 and there is a reserve for depreciation of $97,049. Capital stock outstanding consists of 64 shares of 8 per cent preference stock of $10 par value and 9,900 ordinary shares of $10 par value. Surplus amounted to $185,375. The purpose of the present issue is the retirement of bank loans and the enlargement of the company's meat canning facilities.

Details of the present financing are as follows:

$100,000
PACIFIC MEAT CO.
FIRST CLOSED MORTGAGE 7% BONDS

Dated: August 1, 1931; due: August 1, 1941.

Interest: Payable February and August 1 at any branch of the Canadian Bank of Commerce in British Columbia and Alberta or at the principal offices in Toronto and Montreal.

Denominations: $100, $500 and $1,000, registered as to principal.

Callable: In whole or in part at any time on 60 days notice at 102.

Trustee: Toronto General Trust Corp.

Sinking Fund: Starting February 1, 1932, and semi-annually thereafter payments at the rate of $7,587 per year, which, with interest, will be sufficient to retire the issue at maturity.

Security: A first closed mortgage on capital assets of the company and a floating charge on current assets. Company agrees to maintain net current assets at least 125 per cent of net amount of bonds outstanding.

Offer: $100,000, July, 1931, at 98.50, to yield over 7.20 per cent by Royal Financial Corp., Pemberton & Son, Vancouver, Ltd., and V. W. Odlum, Brown & Co.

Dairy Products Offers Capital Stock in Units

Dairy Products Ltd., of Tara, Ont., is financing an expansion programme by the direct offering of units consisting of four shares of seven per cent cumulative preferred stock, of $25 par value, and 12 shares of no par value common. The company operates, in Tara, Hagersville and Chesley, the business formerly operated by R. A. and Ian Stewart who continue as president and secretary-treasurer, respectively, of the present company.

Capitalization of the company consists of 12,000 shares of seven per cent preferred stock and 90,000 shares of common stock. The preference stock is entitled to cumulative dividends at the rate of seven per cent annually, paid half yearly, and is redeemable at option of the company, on 30 days' notice, at 105. Units are being offered at $100.

Bond Sales

COUNTY OF LENNOX AND ADDINGTON, ONT.

Milner, Ross Securities Corp. has been awarded $44,500 5 per cent 10-year serial debentures of the county of Lennox and Addington, Ont., at $101.775, or 69 cents off a 4.50 per cent cost basis. An issue of $15,000 10-year serial 5's for which tenders were asked was not sold. Bids for the issue were as follows:

1 Milner Ross Securities Corp.	101.775
2 Gairdner & Co.	101.682
3 J. L. Goad & Co.	101.656
4 Stewart Scully & Co.	101.523
5 C. H. Burgess & Co.	101.513
6 Dominion Bank	101.33
7 R. A. Daly & Co.	101.31
8 J. L. Graham & Co.	101.083
9 Dyment Anderson & Co.	101.08
10 A. E. Ames & Co.	101.04
11 Wood, Gundy & Co.	101.02
12 Harris MacKeen & Co.	101.02
13 McLeod, Young, Weir & Co.	100.82
14 Bell, Gouinlock & Co.	100.80

PORT COLBORNE, ONT.

Gairdner & Co. has been awarded $159,962 5 per cent debentures of Port Colborne, Ont., at 100.172, or 16 cents off a 4.95 per cent basis. Bonds are in three blocks maturing as follows: $43,024 in 10 years, $113,612 in 15 years and $3,325 in 10 years. Bids are reported as follows:

1 Gairdner & Co.	100.172
2 Wood, Gundy & Co.	99.078
3 McLeod, Young, Weir & Co.	99.32
4 Milner, Ross Securities Corp.	99.03
5 Harris, MacKeen & Co.	98.61
6 C. H. Burgess & Co.	98.57
7 Bell, Gouinlock & Co.	97.60

OAK BAY, B.C.

Nesbitt, Thomson & Co. has been awarded $10,000 5 per cent 10-year debentures of the municipality of Oak Bay, B.C. at 101.75. Bids are reported as follows:

1 Nesbitt, Thomson & Co.	101.75
2 Victor W. Odlum, Brown & Co.	101.57
3 Canadian Bank of Commerce	101.57
4 C. L. Branston & Co.	101.52
5 A. E. Ames & Co.	101.38
6 Oliver, Stewart & Clark Ltd.	101.00
7 Hugh Allan, Ltd.	101.00

CHILLIWACK, B.C.

Victor W. Odlum, Brown & Co. have been awarded $23,500 5 per cent 10-year local improvement debentures of Chilliwack, B.C. at 100.27. Bids for the issue are reported as follows:

1 Victor W. Odlum, Brown & Co.	100.27
2 Royal Financial Corp.	99.56
3 Reed, Henderson & Co.	98.52
4 A. E. Ames & Co.	98.25
5 Pemberton & Son, Vancouver, Ltd.	97.708

Beauharnois Bonds Appreciate Rapidly

Are Outstanding Feature of Sluggish Market—Manitoba's New Issue Sells Slowly—Little New Financing

Bonds of Beauharnois Power Corp. are being quoted at 83 to 84, street prices, a gain of some 10 points in the course of two or three days and of over 20 points from prices quoted early in June. Carried down as low as 59, as a result of the recent investigation, prices have almost regained the level prevailing early in the year of somewhat under 90. Reason for the more or less spectacular rise is generally given as the possibility of the whole enterprise being taken over by Montreal Light, Heat & Power, which is reported to have already advanced some money. Lacking information, these rumors have still been sufficient to warrant speculators buying up bonds at what are now regarded as being bargain prices.

Aside from the spurt in the Beauharnois bonds little of interest has taken place in the Canadian bond market during the past month. Utility and industrial issues on the whole have held up well during the past week in face of some weakening in federal, provincial and municipal issues. Demand has been decidedly sluggish and few new pieces of financing of any importance have appeared.

Manitoba's Half Sold

Offering of $5,000,000 of Manitoba 4½'s on at 4.80 and 4.83 per cent yield basis is reported to have been fairly satisfactory and about half of the issue is believed to have been sold. Handicapped by the difficult situation faced by all of the prairie provinces, there has been little demand for such issues. Manitoba is regarded as being in a better position than either Alberta or Saskatchewan and lack of immediate acceptance of the new Manitoba issue on such a comparatively high yield basis is indicative of current position of the western bonds.

During August, 1930, there was a considerable strengthening in bond prices and some dealers look to some advance during the next month while others are non-committal as to the immediate future. It is to be noted, however, that a number of municipal issues have been floated during the past two months on such a basis that the purchasers could not retail the bonds at a profit at a price that gave more than a 4.50 per cent yield. Under present conditions most of these bonds could not be retailed on this basis and it is evident, and in several cases admitted, that the bonds are being purchased and held in the hope that the general market will move up to such a degree in the next few months that the bonds can be turned over at a profit.

Canada Leads Foreign Offers In United States

From Our Own Correspondent

MONTREAL.—Of 18 foreign issues publicly offered in the United States during the second quarter of 1931, 15 were Canadian and the net amount involved in them was $45,500,000, or 45 per cent of the total. European offerings amounted to $28,000,000, while securities of the Far East totalling $22,800,000 were offered in the United States in the same period.

The conversion in May of four of the Dominion of Canada 5 and 5½ per cent issues into 4½ per cent 25-year bonds were a feature of the quarter. Bonds presented for conversion totalled $640,000,000 of which it has been estimated that $50,000,000 came from the United States. Apart from this, there were only two Canadian corporate issues, both by corporations associated with American concerns.

In the first half of 1931, Canada led foreign offerings in the United States with $102,141,500 as compared with a total of $207,941,500. Europe was second with $78,000,000.

Bond Tenders

8 p.m., Aug. 3, Hull, Que.—$283,500 serial debentures dated November 1, 1930; due May 1, 1933, to November 1, 1970. Alternate bids asked on 4½ and 5 per cent coupon rate. Denominations in amounts specified by purchaser. Issued for purposes of waterworks, sidewalks, sewers, pavements, and equipment for departments of fire and light. H. Boulay, city clerk.

August 4, School Municipality of Town of Isle Maligne—$65,000, 5 per cent 25-year serial debentures. B. A. Walker, sec.-treas.

August 6, Village of Hastings, Ont.—$21,000 5½ per cent hydro-electric debentures, payable in 20 equal annual installments. Alex. Wilson, clerk.

4 p.m., August 11, City of Levis, Que.—$125,000, 5 per cent serial bonds, dated July 1, 1931, due July 1932 to July 1, 1961. Issued for purpose of reconstruction and repair of wharves used by city ferry service between Quebec and Levis. Lionel Lemieux, city clerk.

7 p.m., August 10, Village of Jonquiere, Que.—$31,000, 10 or 30 year, 5 or 5½ per cent serial bonds. Albert Laberge, sec.-treas.

8 p.m., August 17, City of Three Rivers, Que.—$487,500, 5 per cent serial bonds, of which $55,000 matures over 10 years, are dated May 1, 1931, $255,100, dated Nov. 1, 1930, matures over 40 years and $177,000 dated Nov. 1, 1931, matures over 30 years. Denominations $100 or multiples of $100. Jacques Denechaud, treas. (For full details see page 8.)

6 o'clock, August 21, Municipality of Pointe Claire and Beaconsfield, Quebec—$30,000, 1 per cent 21-year serial debentures, payable at Bank of Montreal, St. Peter and St. James Sts., Montreal. J. J. Hunter, sec.-treas.

Saskatchewan authorizations granted by the Local Government Board from July 13 and 14:

Walter School District, No. 1828, $600, payable in 5 equal annual installments, at not more than 8 per cent per annum. Treas., D. W. S. Ungar, Waseca, Sask.

Success Village School District, No. 2053, $2,000, payable in 10 equal annual installments at not more than 8 per cent per annum. Treas., A. L. Brown.

Bond Redemptions

Andian National Corp. has called $13,000 of its six per cent first mortgage bonds for redemption on September 1 at 105 and accrued interest. Bonds are to be surrendered, with March 1, 1932, interest coupon attached, to Guaranty Trust Co., New York City. The bonds drawn for redemption have the following serial numbers: A00006, A00007, A01810, A01811, A02101, A02595, A02614, A09903, A09904, A09905, A09906, A09907, A09930.

	Rate	Due	Redeem.	Price
Bond Issues—				
Andian Nat. Corp.	*6%	1940	Sept. 1	105
B.C. Telephone	4½%	1962	†Nov. 1	105
Cascade Water Power	4½%	1940	†May 1/32	100
West Kootenay Pr.	6%	1940	Sept. 1	110
St. Lawrence Pwr.	*6%	1935	Aug. 1	105
Steel Co. of Canada	6%	1940	Aug. 1	‡
Foreign Issues—				
Kingd. of Denmark	*5%	1955	Aug. 1	100
Kingd. of Denmark	5½%	1955	Aug. 1	100
Kingd. of Norway	*5%	1967	Dec. 1	100
Kingd. of Norway	*6%	1944	Aug. 1	100
Greek Govt.	*6%	1968	Aug. 1	100
Argentine Republic	4½%	1934	Oct. 1	100

*Called in part.
†Or before.
‡Tenders asked by trustee.

VICTORY BLDG. IS UP FOR SALE ON AUGUST 20

Bondholders Meeting is Called to Approve Future Action

Judicial sale of the assets of 80 Richmond St. West, Ltd., which consist of the uncompleted office building known as the Victory Building in Toronto, is announced for August 20 and gives promise that the building may be completed in the near future. Work on the building was discontinued late in 1929 due to lack of funds and despite numerous negotiations made since that time no plan for raising the necessary money has gone through. The present announcement would indicate that the trustee has some possibility of arranging a sale.

The Royal Trust Co. is also calling a meeting of first mortgage bondholders of the company to consider plans for the re-financing of the building. It is understood that the meeting will be held about August 26.

There is $546,800 principal amount of first mortgage bonds outstanding, of an authorization of $1,200,000. Liens against the property totalling some $114,000 have been a handicap to refinancing in the past but it is understood that all lien holders are willing to permit the proposed refinancing to go through.

Rumors current during the past year or more have linked the building with various projects but none of these have materialized. If present plans go through it is probable that the bondholders will be very much better off than at present with the building lacking any earning power and carrying charges increasing daily. No hope has ever been held, in investment circles, that the first mortgage bondholders could retain their preferred position. The most optimistic feeling has been that the first mortgage bondholders might get second mortgage bonds in place of their present bonds and possibly some common stock.

CANADA MALTING EXPORT SALES UP

Business Volume Said to Compare Favorably With That of Last Year

Sales of Canada Malting Co., are running about the same level as those of a year ago, and should the weather remain warm during the next two months, officials of the company are of the opinion that shipments will compare favorably with those of last year.

Although shipments to domestic brewers have shown a slight decline in comparison with last year, shipments for export have shown an increase.

The company's fiscal year ends on August 31 next, and as yet officials are not disposed to discuss earnings. Much will depend, it is said, on operations during July and August. Directors have continued to declare quarterly dividends at the regular rate of $1.50 per share per annum, despite the fact the profits have been running a little below the necessary requirements. Whether or not this rate will be continued is a matter for conjecture. While the increase in export business has offset smaller domestic consumption, world competition must be met in the export field.

The construction of a 600,000 bushel addition to the company's elevator in Montreal is nearing completion and should be ready for use shortly. The new addition is for storage purposes.

Trail Collections Are Up

An improved position with regard to tax collections is reported for Trail, B.C., and is regarded as indicative of the sound position of the municipality. The 1931 tax levy was due on June 30 and it is understood that over 89 per cent of the levy has already been paid. This represents an increase of some seven per cent over collections in the same period of 1930.

BRAZIL URGED TO PAY LOANS HELD ABROAD

Niemeyer Report Provides Stabilization of Exchange

Publication of the long awaited report of the British Commission, headed by Sir Otto E. Niemeyer, which has been making a survey of the financial position of Brazil has had a reassuring effect on Brazilian securities and exchange. Punctual discharge of Brazilian obligations, public and private, abroad, is recommended and it is proposed that the nation's currency shall be stabilized and placed on a gold exchange standard, that a central bank be formed with sole power to issue currency notes and that a foreign loan of £16,000,000 to serve as a note cover be obtained.

Divided into two sections the report covers, first, questions on the budget and second the establishment of a central bank. Stabilization of Brazilian exchange under the exchange standard is predicated on the possibility of securing a foreign loan for the government to be used as cover for notes of the central bank as well as deposit liabilities. Foreign financing would also be required to aid Brazilian exports and improve its balance of payments.

The report points out that there are opportunities of development in other industries than the raising of coffee, which, as expected, is held to be over-developed. Such developments would require investment of foreign capital, particularly in the initial stages. Stabilization of exchange through the formation of a central bank and sound internal credit policies would make Brazil more attractive to foreign capital.

Need Foreign Capital

Commenting on the balance of trade and the stabilization of exchange, the report says:

"In common with nearly all developing countries and not excluding even the United State of America until some ten or twelve years ago, it is normal for Brazil to show an unfavorable balance of payments which is necessarily met by continuing investment from overseas, a process in its turn assisted by her public overseas debt.

"There is nothing alarming in this situation provided the proper inferences are drawn from it, viz.: that new foreign investment should be used for strictly productive purposes of a nature likely to increase permanently Brazil's eventual exporting power; and that it is an ill service to Brazil to hamper or impede the attraction of such capital."

The report continues that the attraction of foreign capital will depend in part upon the internal credit policies of Brazil. Avoidance of excessive expansion of internal credit which would increase internal costs will be one of the responsibilities of the Central Bank. To avoid excessive or non-productive foreign borrowing, "it is most desirable that control should be exercised by the Federal Government over the foreign borrowing of the States and municipalities and any public undertakings conducted by those bodies."

Central Bank Notes

Regarding the issuing of a loan to provide foreign exchange cover for the notes of the central bank, the report declares.

"To enable the Reserve bank to attain the required proportion of cover and to undertake the convertibility of its notes, it will be necessary to provide it with foreign exchange assets." For this purpose it will be necessary to raise an external loan, the exact amount of which cannot be fixed until the rate of stabilization is fixed, but which should not be less than sufficient to produce the net cash amount (to be paid over in foreign exchange to the bank in reduction of Government debt) of not less than £16,000,000. With the co-operation of the leading issuing countries of the world, and with a balanced budget in Brazil, it should be possible to raise this amount for a plan of stabilization, if the Federal Government continues to take the necessary measures to reconstruct its internal finances and to meet its external obligations."

Specific revenues would be pledged and the servicing would be included in the Federal budget. It is held that there is a sufficient margin of unpledged customs and other revenues to provide collateral for a loan.

In its recommendations for the Governmental budget it is urged that the Brazilian railways be freed from political control with the purpose of making them self-supporting. Steps must also be taken to permit the post and telegraph services to operate at a profit. The Government must avoid the issuance of scrip in the payment of debts and all revenues and expenses should be charged to budgetary account.

Ontario Steel Products Declares Common Divd.

Evidence of the belief that a revival in the business prospects cannot much longer be deferred, is found in the declaration by directors of Ontario Steel Products Co., of a dividend of 20 cents per share on the common stock, payable August 15 next to shareholders of record July 31. The company recently reduced the common dividend rate from $1.60 per annum, with the quarterly payment of 20 cents on May 15 last, and the current declaration follows a report that the company might be forced to pass the August 15 payment on the common in order to conserve the working capital position.

The company's annual statement for the year ending June 30, 1931, will be published early next month, and it is understood that the report will show a considerable decline in net profits as a result of the depressed business conditions of the past year and the keen competition now observed in the company's field, which is chiefly the supply of springs, bumpers, and other parts to automobile manufacturers.

Founders Investment Pass Pfd. Dividend

Founders Investment Trust, Ltd., has deferred the quarterly dividend of 75 cents per share, on its preference stock, due July 15 last.

In a letter to preferred shareholders explaining the action of the board of directors, it was pointed out that although the income from interest and dividends from the existing portfolio was more than sufficient to meet the requirements for dividends on the preferred stock, after payment of all charges, the omission was thought advisable in the interests of all concerned at the present time.

Outstanding capitalization of the trust consists of $39,150, 6 per cent cumulative preferred stock, par value $50, and 11,950 no par value common shares. Regular quarterly dividends on the preferred stock have been paid since April, 1928, when the initial disbursement was made. In view of the small amount of preferred stock outstanding, payment of the dividend just passed would have necessitated only $587.25.

Power Corp. May Get Regina Gas Rights

From Our Own Correspondent

REGINA.—Although the City of Regina recently rejected other proposals for a supply of natural gas, there is good reason to anticipate success for the application of the Power Corporation of Canada for a franchise to distribute gas in the city. The plan is to bring gas from the Bowdoin field in Montana, which is controlled by Power Corporation, and is much nearer the city than any of the other fields which have been suggested for a gas supply. The project is estimated to involve a total outlay of eight million dollars and an immediate start on it is promised if the franchise can be obtained.

Can. Terminal System Forms New Company

Canadian Terminal System, Ltd., has been incorporated with a Dominion charter an dan authorized capital of 250,000 no par value shares. Incorporation of this new company is the result of the reorganization plans approved by bondholders and debenture holders of the old company of the same name at a meeting on June 29 last. The new company is to take over the assets of the old company.

The new company will issue 20-year 6 per cent first mortgage income bonds to an amount sufficient to take up par for par, outstanding bonds and debentures of the old company, and 5-year 6 per cent debentures for any unpaid interest on such bonds and debentures to June 1, 1931. Working capital for the new company will be provided by the release from charge under the old funded debt of sufficient securities to realize an amount not exceeding $150,000.

A voting trust of five trustees, A. W. P. Buchanan, K.C., Col. A. H. Montieth, K.C., Leslie H Boyd, KC., James Arnold and Reuben H. Lush, are to be appointed under an agreement remaining in force as long as any of the bonds or debentures of the new company remain outstanding, to elect the directors. Voting trust certificates will be issued to common shareholders of the old company on a share for share basis.

Temporary Default Made on Chile Bonds

Political disturbances in Chile, resulting in the fall of the dictatorship, and decrease in the nation's reserve and gold deposits, due to unfavorable balance of trade have resulted in what is to all intents and purposes a temporary default on its consolidated debt so far as external bondholders are concerned. While the government has not asked for suspension of interest payments due, and recognizes the debt, it has taken steps to protect the monetary situation by depositing interest due on its consolidated debt in July in the form of Chilean pesos in a special account with the Banco Central.

The Chilean ambassador in Washington has stated that the Central bank would be seriously affected if the government were to lean on this organization to obtain the necessary exchange in order to continue paying the service of the foreign debt in foreign money. The exchange for this is not available in the market outside of the central bank as a result of the drop in exports. The action taken is for the purpose of protecting the reserves of the Banco Central.

It is stated that the government is studying drastic economies which it will immediately put in practice and which will enable it to arrive at a programme showing up to what point it will be able to effect similar deposits after August 1.

Vancouver Bond House Elects New Directors

Pemberton & Son, Vancouver, announce that W. J. Borrie and A. Fraser Wright have become members of the firm and have been elected to the board of directors. Both Mr. Borrie and Mr. Wright will continue to give special attention to the bond department with which they have been associated for the past five years. The other directors are Stanley Burke, J. C. McPherson, R. L. Morrow, L. P. Smith and T. St. E. de Wolf.

Public Utility Earnings

Canadian Pacific Railway

	June, 1931 $	June, 1930 $
Gross earnings	12,439,959	15,862,505
Working expenses	10,253,538	13,081,182
Net earnings	2,186,421	2,781,323
From Jan. 1:	**1931**	**1930**
Gross earnings	70,505,218	85,075,814
Net earnings	8,138,118	9,560,929

Barcelona Traction†

June:	1931 Pesetas	1930 Pesetas	Incr. or Decr. Pesetas
Gross earn.	8,109,332	8,193,530	84,198
Oper. exp.	2,825,672	2,925,135	99,463
Net earn.	5,283,660	5,268,395	x15,265
Aggre. gross from Jan. 1	54,738,320	54,157,557	x580,763
Aggre. net from Jan. 1	35,985,668	36,570,623	584,955

†Preliminary figures subject to depreciation, bond interest, amortization and other charges of operating companies.
*Increase.

WEEKLY RECORD OF FINANCING IN CANADA

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal	Date Sold	Sold To	Rate	Maturity	Amount	Price	Basis
Oak Bay, B.C.	July	Nesbitt, Thomson & Co.	5%	10-yr.	$10,000	101.75	....
Lennox & Addington County	25	Milner Ross Securities Corp.	5%	10-ser.	$44,500	101.775	4.66%
Port Colborne, Ont.	July 27	Gairdner & Co.	5%	10-yr.	$43,024		....
			5%	15-yr.	$113,612	100.172	4.97%
			5%	10-yr.	$3,325		....
Chilliwack, B.C.		V. W. Odlum, Brown & Co.	5%	10-yr.	$23,500	100.27	....

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

	Date Issued	Offered by	Rate	Due	Amount	Offered	Yield
Stock Issues—							
Dairy Products, Ltd.	July	Company	7% pf.	$25 par	$300,000	*....	....
Do.		Company	Com.	n.p.v.	90,000 shs.	....	....
Bond Issues—							
Pacific Meat Co., Ltd.	July	Royal Financial Corp.	7%	1941	$100,000	$98.50	$7.20

*$100 per unit consisting of 4 shares of preferred stock and 12 shares of common.

Duke-Price Power Company
Limited
6% First Mortgage Gold Bonds
Due May 1, 1966

The Company owns and operates a hydro-electric generating station at Isle Maligne on the Saguenay River, Quebec, having an installed capacity of 495,000 h.p.

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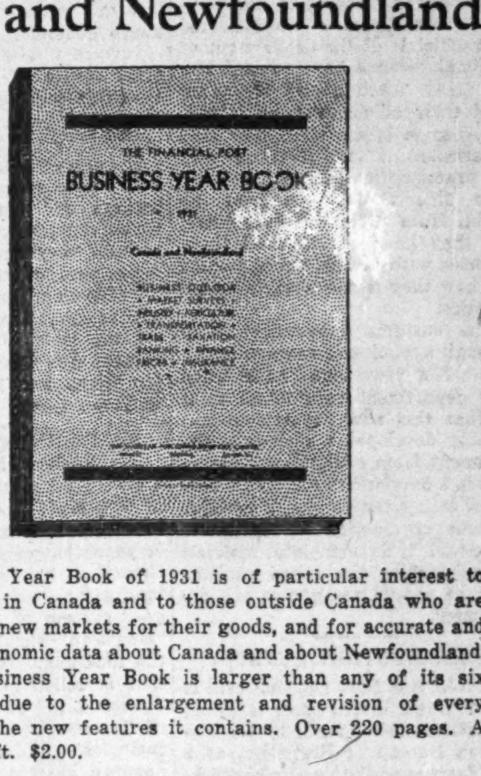

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TORONTO, AUGUST 1, 1931

LUXURIES vs. PROFITS

CANADIAN NATIONAL RAILWAYS is suspending operation of train telephones. Thus a fine Canadian invention that is at the same time a railway luxury makes its exit. The action is typical of the times and a reflection of the necessities of depression.

Sir Henry Thornton has given Canada a taste of the best in railway service. But realization by the taxpayers of the cost of the luxurious service they have been afforded tempers their appreciation. Public opinion in Canada and the findings of the parliamentary committee that studied the Canadian National Railway situation make it clear that the executive of the Canadian National will be judged in the forthcoming years by the financial results rather than by the keenness of the competition between the two main railroads of Canada. New lines, new equipment and new developments will all be asked to pay their way.

DOES REVENUE DEPARTMENT NEED FURTHER CHANGES?

THAT the prime minister has not been getting the best advice is quite apparent from the numerous changes he has made in his announced policies on tariff and taxation. That Mr. Bennett has a strong case of fiscal fidgets is the interpretation that unfriendly critics have put upon his apparently capricious changeabilities. Some business houses have already spent thousands of dollars in adjusting themselves to one or more of the government's announced policies only to find the status quo maintained or to find the change itself subjected to modification. And there is no assurance that the prorogation of Parliament will bring stability into the matter for the cabinet now has wide powers to adjust the tariff.

That Mr. Bennett has been carrying a load beyond the ability of any one man to handle properly is admitted. Possibly Mr. Bennett likes this. Being so much an individualist he is apt voluntarily to assume a greater burden of work than he can manage. But even a prime minister who makes up his own mind has some advisers. Who are Mr. Bennett's advisers who are leading him astray so badly that recently his "as you were's" and his modifications of proposed changes are almost as numerous as his announcements of new policies? Mr. Bennett has indicated that officials of the department of national revenue have advised him on many matters. If it is indeed their advice that he is taking then it is apparent that that department is out of touch with the practicalities of business. They have fine theories, evolved, no doubt, from their own experience, but they have not checked these theories with business men to find out how they would work in actual practice.

The customs department went through a wholesale reorganization just a few years ago and a brand new department resulted. Can it be that this new department has already developed a cloistered detachment from every day business that is a barrier to its effectiveness in collecting the country's revenue without obstruction to legitimate business? If departmental officials are misleading the prime minister then he should reorganize the department.

DISTRIBUTION CENSUS

CANADA'S first national census of retail distribution is being undertaken next month by the Dominion Bureau of Statistics, as a new feature of the decennial stocktaking which got under way last June. Starting August 5, some 200,000 wholesale and retail merchandising and service establishments across the length and breadth of the Dominion will be sent carefully-prepared schedules upon which will be based the first accurate statistical picture of this phase of our national economy, ever obtained.

The demand for this type of census has come from every kind of business enterprise, and within the past year or two the government has literally been flooded with requests from manufacturers, retailers, wholesalers, advertising agencies, economists, trade associations and financial institutions, agitating that a statistical study be made of this much neglected field, comparable with what has long become a matter of course in other fields of economic activity.

The government has now done its part and every possible means of preparation and publicity has been used to make the undertaking a success. Now the matter rests entirely in the hands of individual merchants, who have a unique opportunity to achieve something which in other countries where it has been undertaken has saved individual businesses and the country as a whole, millions of dollars by providing accurate statistical information in the keen competitive battle of modern business.

Business men are glad to give their most hearty endorsation to the project. Every merchant and distributor should answer cheerfully and to the very best of his ability, the schedules he will receive some time during the coming month.

IS THERE A MORAL OBLIGATION?

THERE are some $200,000,000 of securities issued by companies that are part of the Canadian National Railways system that are mortgages or charges on the lines they cover, but that are not guaranteed by the Dominion or any province. Should these lines fail to earn interest and should the Canadian National Railways fail to pay it the bondholders could take over the property involved if they so desired. Up to the present time it has been the policy of the Canadian National Railways to pay interest on all such securities whether earned or not.

Default of interest on the debentures of the Canadian National Electric Railways, which operates an electric railway between Toronto and Guelph, is the first of its kind. It seems quite obvious that the Canadian National Railways is prepared to let the debenture holders have this line if they want it. And it is equally obvious that if the debenture holders do take it over that they can salvage very little from the wreckage. Possibly all they can do is to let the Canadian National continue to operate the line if it wishes and to pay interest on the bonds when it wishes. After a few years of waiting the debenture holders might be prepared to accept some small cash payment for their bonds. In 1930 the operating deficit alone on the line was $77,000 and in the previous year was $83,000, while the total deficit in 1930 including interest was $193,807.

A great many people bought these debentures, feeling that as the line was part of the Canadian National system that the Canadian National Railways would feel itself under a moral obligation to pay the interest. As a matter of fact it may be that the C. N. R. management do consider themselves under a moral obligation to pay the interest when times are good for the railroad as a whole. But in times like these, when large deficits are being piled up and the public is demanding economy, Sir Henry Thornton has apparently decided not to pay to the bondholders money that has not been earned, and which is in the nature of a gift on the Canadian National.

There may be two opinions as to whether or not such a moral obligation exists. But the bondholders who came into possession of these bonds within recent years have known that they had no guarantee of any kind from the Canadian National Railways. This has been brought out in The Financial Post in answers to investors on more than one occasion, and one is justified in being more sympathetic to the general taxpayer who has paid this bond interest year in and year out, although it has not been earned, than to the bondholders who have benefitted from this generosity on the part of the Canadian National and are now to lose this interest as economy rules above generosity.

Investors now will wonder if other issues of securities will go the same way. In any event, some sort of definite policy should be adopted by the railway to cover such railways. Otherwise, investors will be induced by unscrupulous brokers and financial agents to purchase such bonds, thinking that because they are a mortgage on some part of the Canadian National system that the Government will see that they get their interest regularly. Certainly this argument was used in many sales of the Canadian National Electric Railways issue.

SELFISHNESS THAT HITS TAXPAYERS MOST

WHEN the board of control of Toronto awards a contract to a Toronto firm at a figure higher than that quoted by an outside firm it is helping to confirm the impression held by many of the good citizens of the Dominion that "Hogtown" should continue to be the nick-name for the community that is called in home circles the "Queen City" of Canada. The city of Toronto is not a collection of factories and homes completely hemmed in by a city boundary. It is the financial and market centre for a vast area of Ontario and a distributing point for the whole Dominion. Its factories sell from coast to coast; its citizens do not live by taking in each other's washing but by performing service functions for all Canada. Elected city officials, who can not see any more of Canada than is visible from the top of the city hall tower, arouse resentment by their narrow localisms and this resentment must inevitably prove expensive to manufacturers and others located in doing business out of Toronto.

But there are points in that policy at which the taxpayers' interest enters directly. In the specific example of a contract awarded last week, the taxpayers lose several thousand dollars, which is not important in itself. But because of the precedent established outside firms in the future will hesitate to spend hundreds of dollars preparing tenders for city of Toronto jobs. The field from which tenders will be received will be narrowed down to a few Toronto firms, possibly, in many cases, one Toronto firm. The element of competition in tendering will be so reduced that every purchase made by the city and every tender let will cost the taxpayers more than it should.

MORE CALMNESS NOW TOWARD RUSSIA

EVEN Russia found it impossible to stay on the front pages for long. The intense interest aroused by Germany's near collapse has dammed up the flow of news and special articles from the land of the Soviet. The alarm that was felt a year ago over the Russian menace has subsided. Serious as economic affairs may be in the capitalist countries, there is less viewing with alarm the achievements of communist Russia. The Five Year Plan is accepted as largely a failure and is gradually to be merged into a second Five Year Plan. Much is made of the obvious evidences of a swing over to capitalist ideas in Russia and a rapprochement between the Soviet and the other important economic countries is discussed. Exports from Russia continue to affect unfavorably those who likewise have a surplus of primary commodities, such as oil, wheat and iron but it has not been demonstrated that Russia has put prices much lower than they would otherwise have been.

Business men, who a few months ago thought that complete economic collapse in Russia was their only salvation, now more soberly feel that collapse of Russia can not but help to defer world recovery.

Russia, after all, is not a much more serious problem to the world than excessive armaments, failure of gold and credit to flow freely where it is needed, jealousies that bar frank examination of war debts and similar international obligations, and the inability of business and financial leaders to find a way of stabilizing the world level of business and employment.

"STOCK JOINING" BOUND TO COME

A SUGGESTION is now being made in some circles across the line that the process of stock splitting that ran riot during the latter years of the big stock market boom should be reversed and that a great many corporations ought to "join" their shares to provide a smaller number of new shares having higher unit value.

It is hard to understand why stock splits engendered as much enthusiasm as they did. When a company split its stock it did not increase the value of its assets or its earning power in any way. The only manner in which the shareholders gained any benefit was by reducing the trading value of their shares and thus bringing them within reach of a larger number of investors who could, say, purchase a board lot of 100 shares of stock at $20 when they could not purchase a board lot of 100 shares at $200 a share. This tended to widen the market and usually had the effect of creating a demand for the stock that justified some slight enhancement in price.

Since the stock split-ups took place the stock market has gone through a period of corrective deflation that has gone to unforeseen extremes. Today there are scores of stocks selling at a few dollars a share, some at $5, some at $10 and a great many in between. Bankers in both the United States and Canada are known to be averse to loaning as freely on stocks selling at a few dollars a share as on stocks selling at a higher price. The percentage range of market fluctuation is greater in the smaller stocks, which gives some justification for this attitude, but chiefly the aversion is due to an old-time prejudice against the cheap stocks, which normally are not the best stocks. This loss of collateral value obviously affects the value of these shares in the market, and will make it difficult for them to regain quickly their former market prices in the next period of stock market expansion.

One solution would be the joining together of two, five or ten shares to form one new share, thus raising five-dollar stocks to possibly $50 a share in market value and giving them higher collateral value.

It is easier to split a stock than to join it. When stocks are split every shareholder can be looked after, but when stocks are joined a great many small shareholders must either sell out their holdings or purchase additional amounts. The lowest common multiple then becomes a market factor. But action may be forced on some companies by their inability to establish a wider market for their stocks presently low-priced.

EDITORIAL NOTES

Mr. Hoover is in trouble again with the White House correspondents. Mr. Hoover and Mr. Bennett seem not to have learned how to handle newspapermen. Mr. Hoover objects to intimate stories about himself and in this differs from Mr. Coolidge who liked them. Mr. Bennett apparently objects to newspapers attempting to forecast what he intends to do but time will harden him and he will be less sensitive.

POST-scripts

IT MAY have been the heat or it may have been due to the fact that I had been reading the newspaper just before I went to bed but never in my life have I had such a nightmare," said a business man recently. "Just a moment while I take an aspirin and I'll tell you about it. In the first place the Beauharnois Canal had apparently been completed for I was rowing down a wide stretch of water while a steersman in the stern of my boat called out at regular intervals 'Four thousand feet wide, twenty-seven feet deep.' Large steamers were passing us continually, while the St. Lawrence River, which seemed quite near, had been dried up and converted into a national park. Finally my companion shouted 'Here we are,' and we brought up at one of the queerest power houses I have ever seen. It is hard to describe, for it kept changing its appearance all the time. First it looked like the Parliament Buildings in Ottawa then it would shrink into a small house made out of playing cards, then it would change into something else. I tied up the boat and the steersman jumped out. He too underwent a metamorphosis for when I looked at him closely he had on a top hat and a frock coat. Holding out his hand he said, 'In the name of the committee, welcome.' I thanked him and noted a large crowd of people in the background. They seemed somewhat diffident about greeting me but at last one stepped forward and said 'Of course you have deposited your bonds?' Never having had a bond in my life I lost no time in saying so, when to my horror he extracted a large bundle of script from my pocket. 'Exactly $125,000,' he shouted triumphantly. 'Now we can go ahead with the merger.' I asked for details. 'Why,' he said, 'the merger of Beauharnois and Canada Power and Paper of course. Here's the new president now! There was a great confusion in the crowd which parted to allow a small dark gentleman to advance towards me. I didn't recognize him at first in a top hat. Do you know who it was? Mahatma Ghandi. Pass the aspirin, will you? Good morning."

IT IS no crime, it is not impertinent in the House of Commons at Ottawa to refer to a bill introduced by a member as similar to the methods adopted by Al Capone. The reason is that the House of Commons, officially speaking, never heard of Al Capone and for all the Speaker knows he might be a Greek philosopher or an aide of John Wesley. Michael Luchhovich, M.P., discussing a bill to incorporate a small personal loan company. To him rats, Al Capone and money-lenders were all one and the same thing. Throughout his speech, he rang the changes on Al Capone and his methods and he thought he saw a similarity between those methods and the type of money lending which the bill would permit.

Sam Factor, M.P., of Toronto, objected. He submitted that a member had no right to compare legislation sponsored by another member of the house to the methods used by Al Capone. Then Mr. Speaker delivered his judgment:

"The house has no information as to what Al Capone is."

New Books

"Mass Production"

In "Mass Production" Sir Eric Geddes, chairman of the Dunlop Rubber Company, of England, has written a convincing tract for these times in which the author declares that, while Great Britain may have been dilatory in protecting her industries under the old factory system, further delay will be suicidal under the revolutionary system of mass production.

The theme is illustrated with a number of telling diagrams showing how, in one case, the cost of hand production is seventy-seven times greater than that of mass production. Another diagram demonstrates the fall for five industries in productive labor cost and the rise in other costs. A third diagram shows the effect of rising and falling turnover on profit margin today: and a fourth gives a similar indication of the relation between turnover and profits before the war.

Sir Eric makes the point, that foreign mass producer is now in a position to force Britain's unprotected manufacturers into fast increasing losses merely by reducing the latter's volume of trade.

He defends the British manufacturer against the charges of lack of courage, enterprise and ingenuity. He notes that since 1914 the workers' earnings in the British motor industry have about doubled, although prices to the consumer have fallen to about one-half of the 1914 level, consequent upon the fall in the cost of production resulting from the partial adoption of mass production methods. He argues that British manufacturers in reproductive industry urgently need fiscal protection against mass produced imports dumped in their country at far below full cost and to enable them to compete with the mass produced products which they encounter in the Empire and foreign markets.

Sir Eric strikingly demonstrates how, to an ever increasing extent, the foreign mass producer can sell in the lone free trade market of Britain at far below full cost of production and still improve his profit position.

"If," he concludes, "our manufacturers cannot be equipped with the full armour of mass production, our export trade must pass from us. If it does pass, what, I ask you, will be the effect upon the greatest Empire the world has ever known? And what the effect upon the standard of life in our island home?"

The book is published by the Pelican Press, 2, Carmelite Street, London, E.C.4. at sixpence.

"The Soviet Planned Economic Order"

One of the best books on Russia to appear last year was "Soviet Russia" by William Henry Chamberlin. His book was a collection of articles that had previously appeared in the Christian Science Monitor. Mr. Chamberlin has gone back to enlarge upon the most interesting of the economic stages of the Russian story, the Five-Year Plan, and in "The Soviet Planned Economic Order" describes the plan in detail and discusses its results to date. The volume shows Mr. Chamberlin's ability as an economic student, and while one feels that Mr. Chamberlin is somewhat sympathetic toward the Sovient experiment it cannot be denied that he takes a thoroughly objective view. The extensive statistical compilations and the numerous quotations from official documents, which are included, make this small volume particularly valuable.

Mr. Chamberlin feels that the Five-Year Plan has had certain favorable results and others of a more negative character. The favorable items, that is to say those that seem to indicate that the plan is achieving its objective, are the drawing of a quarter of the present homesteads into collective farms and the obtaining of substantially improved crop yields of grain cotton and sugar beets; the growth at the rate of 24 per cent or 25 per cent a year of the output of state industries; and the abolition of non-political unemployment. On the negative side, Mr. Chamberlin sets down the following developments: the deterioration of living standards as a result of the diminished food supply and the acute shortage of many manufactured goods; the failure of industry to attain quality to match its quantity gains and the failure in some cases of various branches of economic life to keep in step with each other; the heavy blow which the cattle and poultry raising and dairying branches of agriculture have received as a result of the widespread destruction of livestock.

Mr. Chamberlin is very doubtful as to the Five-Year Plan attaining improved quality of output or a higher standard of living for the people is the near future. Because of this he does not expect the Soviet to be a large exporter of manufactured goods within any reasonable period. There is a large potential internal market, hungry and inexhaustible, which must be satisfied before large exports of manufactured goods can be obtained. And most of these products being made in Soviet factories are so poor in quality that they could not find a place in world markets. Only in grain, lumber, oil, furs, manganese and similar raw material and agricultural products, where a large output can be quickly stimulated to build foreign credits, are Soviet exports expected to continue on a large scale in the near future. Mr. Chamberlin takes the viewpoint that an increase in the standard of living and prosperity of Russia would be an aid to the rest of the world.

The "Soviet Planned Economic Order" is published by the World Peace Foundation, Boston, Mass., and sells at $2.50.

As Others See Us

Have We Any Privacy?

Brantford Expositor.—It has been revealed in Toronto that certain organizations are selling lists of individuals in that city whose assessable income is above a given figure. This information is taken from the tax rolls which, according to the Municipal Act, are available to the scrutiny of any ratepayer on the payment of a nominal fee. This practice has been most scathingly condemned by The Financial Post and other Toronto newspapers, and intimation has been given as a result by some officials that steps will be immediately taken to prevent its recurrence.

It was probably never intended by the Ontario Government that information in regard to a man's private income should be available to the general public, because when the Act was passed there was no municipal income tax. The provision to make the assessment roll available was designed to protect ratepayers against inequalities in their realty assessment. In the case of the income tax this protection is unnecessary, since the value of a man's income is not appraised by the assessors, but is very definitely defined by statute. However, in practice both the realty and the income tax assessments are kept together on the one roll. This is true of Brantford and of probably all other municipalities. As a result, in Toronto some concerns with an eye to business have compiled lists revealing the income of Toronto citizens and have been offering them for sale at so much per. This is little short of contemptible and should not be permitted by the authorities. Surely a man's personal income is his own private property and information in regard to it should not be available to the public. We have so much legislation nowadays of an inquisitorial character that we are losing all our privacy. The thing has gone too far and it is time for a change. However, this whole matter of municipal taxation is now under advisement by a commission appointed by Premier Henry and at the next session of the Legislature it is to be hoped that the necessary steps will be taken to safeguard the strictly personal affairs of the individual.

"Stop Me If You've Heard This One"

A society woman wrote to an army officer: "Mrs. John Sears DeVille requests the pleasure of Captain Smith's company at a reception on August 16."

The next day she received this note of acceptance: "With the exception of fourteen men who, I regret to say, have a week each in the guard house, Captain Smith's company accepts with pleasure Mrs. DeVille's invitation for August 16."

First Distribution Census Needs Hearty Support

Nation-Wide Undertaking Depends for Success on Co-operation of Every Merchant and Distributor—Schedules Out in August

Every one of Canada's 200,000 merchandising establishments will next month be asked to take part in the first national distribution census ever to be undertaken in this dominion. In the four week period commencing August 5, nearly 300,000 schedules will be mailed to wholesale and retail merchandising and service establishments throughout the country, the mailing lists having been compiled from returns of the general census in June of this year.

For many weeks a corps of clerks and statisticians at Ottawa have been preparing for this task and over a million hollerith cards are ready waiting to classify and count the returns. A staff of 60 will be engaged on the work of indexing, addressing envelopes, mailing schedules, editing returns, conducting correspondence, punching cards, tabulating and finally issuing returns.

Big Swing to Business

Every detail in the preparation of this mammoth task has been attended to and but one thing remains, namely the co-operation of every merchant and distributor in the country. For here is an event which, if successful, will mean a saving of hundreds of thousands of dollars to Canadian business men and to those outside Canada who wish to do business here.

At the present time the Dominion Bureau of Statistics at Ottawa, under the able direction of Dr. R. H. Coats, is ranked as one of the finest of its kind in the world and approximately $150,000 is spent each year in this department to furnish accurate and timely information on Canadian trade and commerce. So far this money has been spent almost entirely in the preparation, analysis and publication of data relating to production in all its many ramifications.

Much as this has been appreciated by business men, an insistent demand has arisen from all parts of the country for accurate information on the distribution as well as the production of merchandise and commodities. Urgent requests have poured in upon the Government from all stages of business enterprise to secure reliable and complete statistics of distribution activities. Manufacturers, wholesalers, retailers, advertising agencies, students of economics and trade associations have vied with one another in agitating vigorously that a statistical record be made of this much neglected field, comparable with what has long been done in other fields of economic activity. It has been pointed out that the work of distributing commodities from producer to consumer is at least as important as that of producing them, yet no comprehensive statistical picture of this field exists.

Government Does its Part

It is this need which the Government proposes to fill and no effort has been spared by the Dominion Bureau to conduct a census which will meet the needs of merchants by securing a comprehensive picture of distribution activities. For instance, many months ago preliminary schedules were submitted to business men and bodies all over the country including all retail merchants associations, asking for constructive criticisms. As a result the final schedules contain many changes and may be said to represent the most expert opinion on the subject.

Now, the responsibility rests squarely upon the shoulders of each individual merchant and only by the hearty and spontaneous cooperation of each can the undertaking be a success. Indifference to this nation-wide appeal will not only prove breach of trust to the great body of merchants and business men in Canada who have requested this information, but it will also show considerable lack of foresight on the part of the individual merchant.

Many Specific Benefits

This will be seen from the following specific benefits which will accrue to merchants from the census if it is successful:

1. Retailers will know accurately for the first time the number, type, and size of establishments operating in their own line, in their own community.

2. They will be able to compare their own group with other groups or types which carry on the same line of business. Comparisons will be possible between independents and chains and also between different groups and types of independents on a local, national or other geographical basis. A very important comparison will be between the retailer's own business and the average results obtained in the group to which he belongs. Comparisons will be possible on such items as:

(a) Total sales and inventories carried.
(b) Expenses of operation.
(c) Number of employees and rentals, wages and salaries paid.
(d) Volume of cash, credit and installment sales.
(e) Types of service rendered.
(f) Types and volume of merchandise handled by medium and large-sized stores.

3. Small retailers especially will benefit by the census in that it will furnish them with the facts which have proved so helpful to larger concerns which have gathered them for themselves at great expense.

4. It will give all retailers access to data which will be far more complete than could possibly be secured by any private firm, no matter how great its resources—if—there is the expected hearty response to the government schedules when they arrive during the coming month.

Finally it may be in order to stress once again the absolute secrecy which surrounds the compilation and handling of such returns by the government. No publication will be made by the Dominion Bureau of any data which will in any possible way disclose the name or operations of individual establishments in any particular. All clerks and officials handling the returns are sworn to secrecy, and any returns made are guaranteed not to be made the basis of any system of taxation or disclosed to any municipal or provincial authority or to any other department of the Dominion government.

To those who know the absolute infallibility of this feature of the work of the Dominion Bureau, the point will not need to be made, but to others who may be making returns of this kind for the first time, its importance cannot be overemphasized.

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Census of Merchandising and Service Establishments 1931

COMMENCING in August a Census of Merchandising and Service Establishments based on names and addresses collected in the Population Census in June will be taken by the Dominion Bureau of Statistics by means of forms sent through the Postal Service.

The purpose of this Census is to obtain comprehensive information regarding the distribution of commodities to the consumer. It should furnish information of very great benefit to merchants, manufacturers, and the entire business structure of the country.

The individual information which will be supplied will be treated with absolute secrecy, the officers of the Government who collect it being subject to severe penalty if they disclose it or any part of it. It has no relation to any other Government Department, and will be used only for the compilation of statistics. It has nothing whatever to do with taxation, or with any Municipal law or regulation, or any other such matter.

When you receive your form fill it out and return it promptly. It is your duty as a resident of Canada to answer promptly and truthfully. The Government is empowered to force individuals who may refuse to answer these questions, but much prefers to accomplish this by a spirit of co-operation between the Department and the business public.

Issued by
DEPARTMENT OF TRADE AND COMMERCE—OTTAWA

The Week in Business

Improvement in July Business
Employment at Low Ebb
The Hudson Bay Railway

BUSINESS observers in the United States have been agreeably surprised in the past week to see a decided upturn in weekly data available up to the middle of the month. The figures they quote concern the steel industry whose weekly adjusted index of operations moved up from 39.4 to 41.8 for the week ending July 18, which was the first increase since early in April; and the adjusted index of electric power production, which showed a substantial gain for the same week and is now higher than at any time since May 1. Automobile output has also been sustained through increased demand it is said, while carloadings after adjustment have made a satisfactory showing.

Unfortunately in Canada we have virtually no weekly data of real significance to business with perhaps the exception of carloadings, so it will be many weeks before we obtain confirmation that a similar forward movement in our domestic situation is under way. If such an improvement is under way, it is certainly not reflected in carloadings as yet, nor has it been sensed by various weekly and monthly reports made by Canadian chartered banks or mercantile agencies who seem fairly well agreed, as the Bank of Montreal puts it: "That midsummer dullness rests upon trade, relieved only by a tourist traffic reduced in volume on the whole and apparently disbursing less money in holiday pleasures."

* * *

PRESS reports indicate that a favorable interpretation is being placed on the Dominion Bureau of Statistics report of employment in Canada as at July 1, which was issued this week. A study of this document reveals that the increase in employment in July as compared with the previous month is represented by only .2 in the index, which is the smallest increase for this time of the year since the index was first compiled. The average annual increase in employment as at July 1 when compared with the previous month, has been approximately 2.5 during the past ten years so that the present gain is approximately one-tenth of normal. Further, it must be remembered that the government index applies only to total number of employees and takes no account of the shortened hours of work that have followed slackening of industrial operations. It is unfortunate that such an index is not available for Canada. If it were it would in all probability reveal a condition similar to that shown by the New York Annalist index which, in June, dropped to a new low record for the entire post-war period.

* * *

CURRENT discussion in the House of Commons has drawn attention once more to Canada's brand new 510-mile railway stretching from The Pas to Fort Churchill, which will be ready for trial grain shipments on September 15. According to Hon. Dr. Manion, minister of railways, the government is prepared to ship three cargoes of grain from that port if shippers can be induced to use this $40,000,000 line on the understanding that the government absorb any additional costs so that shippers will enjoy the same rates as if they shipped through Montreal. So far, only half a cargo or 150,000 bushels has been assured, which would not seem to support the view that Western grain growers and shippers are falling over themselves to take advantage of this new railway as soon as it is available. This national transportation venture will be watched with great interest in the next few months.

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Business Conditions in Canada

MANY CHANGES SEEN UNDER WAY IN MOTOR FIELD

Fall Will Be Quiet But 1932 Expected to Uncover Good Demand

ENGINE CHANGES

Ford Now Nigger in Woodpile and Uncertainty Will Prevail Until His Plans Known

Prospect of little improvement in the automobile industry in the remaining months of 1931, but the possibility of a fairly substantial demand developing in 1932, is held out by close observers of this industry for both Canada and the United States. Important trends in the industry are also said to be developing as a result of mechanical improvements marketed in recent months are now being experimented with, but uncertainty prevails until such times as Ford's plans are formulated and announced.

In the first six months of 1931, total production on this continent, of passenger cars and trucks, was approximately 1,630,000 units, a drop of 29 per cent from 1930. For the remainder of the year it is expected that production will not exceed 1,200,000 units, the volume of the same period last year, which would bring the year's production to about 2,800,000 units, or virtually the lowest point since 1925. On this basis Canada's share would probably be about 110,000 units, which would be the lowest annual outturn since 1922. Some hope is held out by Canadian manufacturers that a slight revival may develop in the fall, but this is said to be based mostly on the assumption that business will show seasonal improvement at that time rather than that there is anything inherent in the industry that might lead to such a development.

Large Demand in Making

But those who are close to the industry see a large demand in the making. This because they believe that actual usage of cars has increased if anything during the past year, rather than decreased, while production has not even kept pace with the normal replacement market. In other words, there is no question in the minds of most manufacturers that cars are being run considerably beyond the point of normal obsolescence and that shortly this must cause a substantial upturn in buying. Furthermore, this obsolescence has been accentuated by important mechanical improvements recently achieved and marketed.

What are these changes, and how do they affect the outlook for various makers?

Free-Wheeling Spreads

First and foremost is free-wheeling. Introduced by Studebaker in July, 1930, this principle gained wide application for the first time, although it had been known in the trade some time prior to that. Since that time other well-known cars, such as Pierce-Arrow, Lincoln and Hupmobile have adopted the same type as standard equipment. Others have offered similar devices as optional equipment, including Hudson-Essex, Graham-Paige, Willys, De Soto, Dodge, Chrysler (on its sixes) and Marmon. Auburn has its own device on de luxe lines, with optional installation on lower priced cars. Finally, the new Plymouth has incorporated Chrysler's own device as standard equipment.

On the other hand are some companies, such as General Motors, Packard and Nash with their own device, which may be labelled a "synchro-mesh" transmission — to use the General Motors term. This makes for easy, silent shifting of gears which is one of the chief advantages claimed for free-wheeling.

Automatic Transmission Forecast

According to Standard Statistics, of New York:

"Despite differences of opinion as to the particular transmission improvement to be presented, practically all manufacturers have been exerting considerable effort to advance this part of car manufacture. Because of the interest in these developments on the part of the public and the possibilities thus opened up, there is a well defined feeling in trade circles that the present devices are merely the first stages of an automatic transmission. In fact, various types of such a product are said already to have been constructed both in the laboratories of certain automobile companies and by others closely interested. In short, it seems probable that, after present imperfections have been eliminated, some adaptation of automatic transmission may be introduced in the not too distant future."

Other improvements centre around two recently announced developments, namely, Packard's "ride control" and Plymouth's "floating power." The former consists of improved shock absorbers, permitting the driver to adjust the tension of the absorbers for varying road conditions. The latter is an attempt to overcome the chief objection to the four-cylinder car, namely, the inherent vibration of its power plant, which is in turn translated into the riding qualities of the car.

May Revive 4-Cylinder Car

Of this important development, Standard Statistics says:

"The consensus in the trade is that a real step forward has been made through this latest development and current reports indicate that the initial reception of the Plymouth has been highly encouraging. Some little time may be needed to reveal definitely whether "floating power" will attain a lasting popularity with the main body of motorists. The belief is entertained by at least a few trade authorities that if such proves to be the case, this development may mark a definite return to favor of four-cylinder motors in the lowest priced field."

This of course leads to conjecture as to what Ford will do. Obviously he must either cut prices or introduce substantial refinements, but whether any definite decision has been made as yet, no one seems to know. It is said, however, that the automobile industry on the continent as a whole, produced without Ford as many units as in 1930, which gives a clear indication that something startling must be done if Ford is to make a bid for his former dominating position. Latest rumors, says Standard Statistics, point to a possibility of an arrangement with Chrysler to permit incorporation of "floating power" in Fords. Until something definite is announced the whole position of the industry must remain uncertain, according to Standard, which says:

"On none of these points can adequate information be obtained. The one thing which is becoming increasingly plain is that before many months, Ford must effect some kind of important model change, or cut prices substantially on the current cars, if any material increase in business is to be obtained. So far as tangible evidence goes, no major alteration in Ford cars is in immediate prospect. On the question of a price reduction, no more data are available. But until this issue is settled in one way or another, Ford's eventual policy will remain as a major uncertainty to the remainder of the industry."

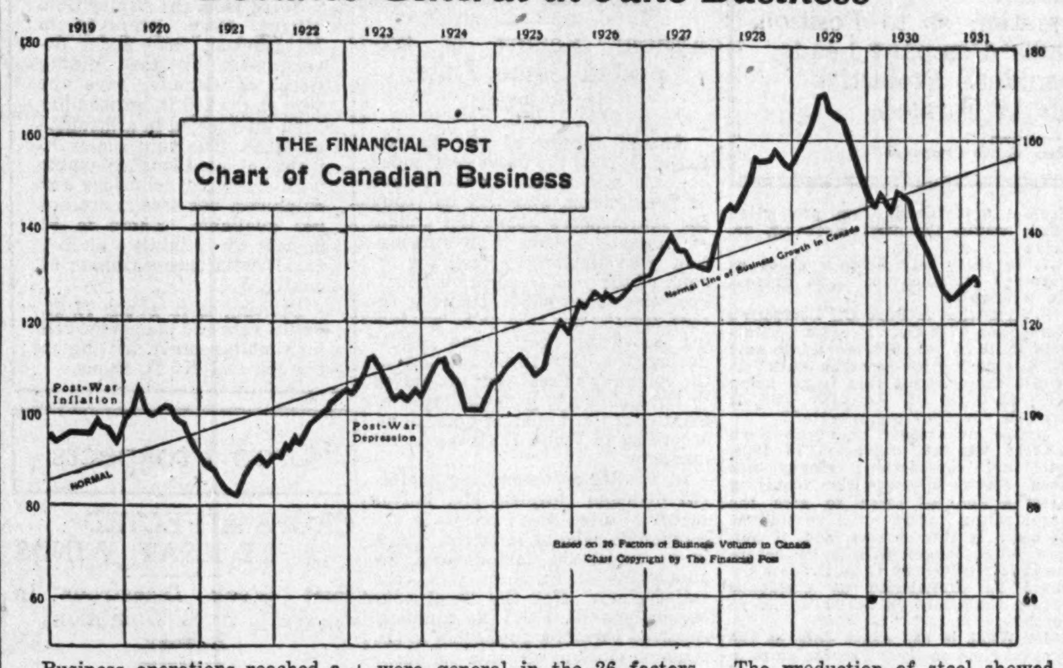
Industrial Employment At Low Ebb in July

Industrial employment was at a lower level on July 1, than at any similar date in the preceding five years, according to the Dominion Bureau of Statistics index of employment at that date. The index stood at 103.8 as compared with 103.6 the preceding month.

The largest gains were reported in construction, but services also afforded heightened employment; on the other hand, manufacturing, as a whole, logging, mining and transportation showed contractions. In some cases, the losses were seasonal in character, while the extremely hot beginning of July resulted in some instances in a temporary slackening of activity.

The trend was favorable in the Maritime and Prairie Provinces; Quebec and Ontario reported curtailment, while no general change was indicated in British Columbia.

Declines General in June Business



Business operations reached a lower level in June than in the preceding month the decline in The Financial Post index being from 130.2 to 127.1. Aside from a very few exceptions, declines were general in the 26 factors from which the index was compiled. The construction industry failed to respond to seasonal tendencies and contraction was severe in the automobile industry. The production of steel showed recession while the output of pig iron was greater. Imports including raw materials for Canadian factories registered a sharp decline.

June Business Decline Reflected in Imports

Drop of 30 Per Cent in Merchandise Movement Contributes to Decline of 3 Points in The Financial Post Index

By SYDNEY B. SMITH

Business operations indicated an inactive period in June, the almost unbroken line of declines among the 26 factors used in the compilation of The Financial Post index, attesting to the setback during the month. The index was 127.1 in June, compared with 130.2 in the preceding month. From the low level of business in the early months of the year some progress was made toward recovery from March to May. The recurrence of inactive conditions in June goes a long way toward counterbalancing the gains of the three preceding months.

Of the 26 factors used in the compilation of the index only four showed gains in June, seasonal adjustment being effected in every case. Merchandise imports are normally nearly 4 per cent greater in June than in May. The actual total was $52,508,000 compared with $73,536,000 in the preceding month. The decline after adjustment for seasonal tendencies and price changes was no less than 30.6 per cent. Exports also showed a marked contraction but the declines was not nearly so sharp as in the case of the imports. While inactivity in external trade reflected the setback in industrial production, the pronounced change in the imports was partly due to the speeding up during May in shipments from other countries, due to expected changes in the sales tax and customs tariff.

Business Reflects Crop Prospects

The unfavorable weather in June led to further deterioration in the Western wheat crop and the forecast of this year's output was consequently reduced to the lowest level for years. Owing to the important place of wheat production in the social economy of Canada, the unfavorable prospect was reflected in industrial curtailment. The advent of better growing conditions in July has alleviated the agricultural situation of the West to a certain extent.

The automobile industry reduced operations sharply in June, the output being 6,835 units, compared with 12,738 in May. May is normally the most active month for the industry, production being 30 per cent above the average for the year, while in June the excess above the average is 8.4 per cent. After adjustment for seasonal tendencies, there is still indicated a marked reaction from the level of May.

Blast Furnace Resumes

A constructive feature opposed to the general tendency was the resumption of the blast furnace at Port Colborne, and the gain in the output of pig iron from 50,511 tons in May to 55,822 tons in June. This tonnage was greater than in any other month this year except March. The trend in the production of steel was adverse, the output being 55,600 tons, compared with 75,200 tons in May.

The low level of operations in the construction industry is characteristic of business depression. The new business obtained by the industry in the early months of the year being expanded by employment relief measures, constituted a good beginning for the year. From April to June contracts awarded were in moderate amount after adjustments for seasonal tendencies and price changes. The estimated physical volume of work commenced in June indicated by the use of these adjustments was less than the average for the base period from 1919 to 1924. The volume of contracts in the month under review placed at $29,793,000 must be considered very light, when it is realized that contracts in June are normally 40 per cent greater than the monthly average for the year. Building permits reported as $8,471,700 in June also made a very poor showing. After adjustment for seasonal tendencies the June total was only 60 per cent of the monthly average during the base period from 1919 to 1924 and 24 per cent below the level of last May.

Mining Less Active

Measured by the factors used in this connection the mining industry was less active in June. The shipments of copper to external markets were greater after seasonal adjustment than in the preceding month and gold shipments were practically maintained. Exports of nickel showed a marked decline in June, the total being 3,616,100 pounds, compared with 9,800,400 pounds in May. Production of coal was 887,859 tons, compared with 901,514, the decline after seasonal adjustment being about 9 per cent.

Despite the thorough-going setback in business operations during June there were several constructive developments. The stock market reflected a more optimistic attitude after the first of the month, the rally being accelerated from June 20 by the significant announcement in regard to the postponement of war debt payments.

Canadian Business Indicators

Compiled Weekly by The Financial Post

	Weekly Latest 1931	1930	Cumulative Jan. 1 to date 1931	1930
C.P.R. Gross Earn. (July 21)	$ 2,677,000	$ 3,423,000	$ 78,552,000	$ 95,597,000
C.N.R. Gross Earn. (July 21)	$ 3,298,097	$ 4,240,947	$ 99,144,818	$ 122,541,637
Car Loadings (July 18)	47,966	61,065	1,397,032	1,707,897
Common Stock Index (July 23)	81.1	137.2	....	....
Production—	Monthly			
Pig Iron, tons (June)	55,822	66,081	299,222	451,186
Steel, tons (June)	55,605	95,312	461,877	636,613
Newsprint, tons (June) ...	193,971	213,634	1,136,896	1,284,158
Automobiles (May)	12,738	24,672	59,250	95,595
Boots and Shoes, pr. (May)	1,740,792	1,524,938	7,402,528	7,374,139
Flour, bbls. (May)	1,183,280	1,392,982	5,527,658	6,047,304
Mineral Production—				
Gold, oz. (April)	228,082	169,166	824,808	632,487
Silver, oz. (April)	1,685,842	2,568,017	7,801,929	7,983,672
Nickel, tons (April)	2,067	5,095	12,843	18,494
Copper, tons (April)	13,922	12,754	49,092	51,978
Lead, tons (April)	16,119	13,825	53,902	58,343
Zinc, tons (April)	11,353	10,090	43,436	40,484
Coal, tons (April)	888,312	907,451	4,078,325	4,882,548
Nat. gas, M. cu. ft. (April) .	2,454,063	2,433,026	11,380,924	12,516,885
Petroleum, bbls. (April)	153,705	102,335	649,425	412,142
Automobile Financing—				
Used Cars (May)	$ 2,877,442	$ 4.619,712	$ 10,121,626	$ 14,787,086
New Cars (May)	$ 3,439,738	$ 5,013,427	$ 10,514,463	$ 14,605,500
Construction—				
Building Permits (June)	$ 8,470,738	$ 18,621,487	$ 57,472,274	$ 85,413,985
Contracts (June)	$ 29,793,400	$ 54,728,200	$ 162,937,600	$ 240,626,000
Labor—				
Employment Index (June) .	103.6	116.5	....	....
Trade—				
Imports (June)	$ 52,605,418	$ 91,543,981	$ 354,007,418	$ 543,313,981
Exports (June)	$ 54,348,421	$ 78,703,281	$ 291,720,421	$ 436,500,438
Imports of Key Products—				
Rubber, raw, lbs. (June) .	4,730,546	5,777,423	30,414,917	36,606,477
Cotton, lbs. (May)	8,405,000	7,056,000	40,940,000	40,944,000
Sugar, raw, lbs. (May) ...	149,907,300	98,646,300	312,344,400	231,967,100
Petroleum, crude, gal. (June)	117,341,108	110,593,076	464,327,863	474,096,244
Coal, tons (May)	1,191,017	1,373,573	4,167,411	6,739,905
Exports of Key Products—				
Newsprint, tons (June)....	189,739	194,321	1,025,773	1,167,602
Automobiles, No. (June) .	914	2,711	10,142	22,591
Wheat, bus. (June)	20,783,219	18,989,550	87,886,810	59,204,196
Wheat flour, bbls. (June)..	490,294	597,752	2,665,258	5,702,282
Electric Power—Output—				
M. Kilowatt hours (May) .	1,359,772	1,544,627	6,999,405	7,515,336
Population—				
Emigration (May)	612	4,216	5,469	21,679
Immigration (April)	3,201	19,309	8,523	41,214
Finance—				
Failures, No. (May)	163	166	944	1,027
Failures, Liabilities (May) .	$ 2,970,416	$ 2,600,755	$ 17,996,421	$ 24,002,531
Bank Debits (May)	$8,171,603,100	$3,426,869,070	$13,731,605,923	$15,627,429,158
Bond Sales (June)	$ 51,444,897	$ 68,994,483	$ 964,439,511	$ 373,298,819
Insurance sales (June) ...	$ 46,227,000	$ 54,168,000	$ 261,502,000	$ 292,734
Wholesale Prices (1926=100—				
General Index (June)	72.2	87.7	....	....
Iron and its products ..	87.4	91.2	....	....
Cotton, raw	52.0	82.3	....	....
Grains	42.0	73.2	....	....
Live stock	76.0	121.6	....	....

SQUIRES PLANS TO REORGANIZE FINANCE SYSTEM

Wide Cuts in Expenses of Newfoundland Proposed

From Our Own Correspondent

MONTREAL.—A reorganization of the whole financial system of Newfoundland by experts, a reduction of 10 per cent in salaries throughout the public service, closing of such branch railways as cannot be operated on a commercial basis and an examination of the whole railway system with a view to making further savings, were features of proposals placed by Sir Richard Squires, Premier of Newfoundland, before a recent meeting of the Newfoundland Board of Trade.

In the course of his address the Premier denied that no offers had been received for a loan but stated they were at such a figure as did not justify acceptance in view of the general satisfactory state of the Dominion's affairs.

To Consider Resolutions

Certain resolutions which the Board of Trade had intended to submit to the meeting were deferred and will be considered later. They called for an examination of government expense, an examination of sources of revenue, more effective measures to prevent breaches of the Customs Act, and more effective system of auditing.

They also requested special enquiries into the whole of the colony's finances and suggested that experts should be obtained through the Secretary of State for the Dominions.

Anticipated By Plan

These resolutions were largely anticipated by the proposals of Sir Richard Squires. He plans to secure one expert, invited from England, to investigate the Government's commercial operations, while a second expert would deal with the regular financing of the Dominion.

He outlined savings recently effected through the reduction of salaries by 10 per cent, and declared that through retrenchments in the various departmental expenditures, some $500,000 would be saved. Departments of finance and customs, marine and fisheries, postal telegraphs and education would be affected in the curtailment.

It will be recalled that Newfoundland sought tenders for $8,000,000 of 5 per cent, 25 year bonds in May, 1931. Preliminary attempts to float this loan were unsuccessful, though later arrangements were made with a syndicate of Canadian banks to take care of interest and sinking fund due on June 30 and July 3, pending long-term financing.

The gain in stock prices while due in large measure to the technical position in the stock market itself, was of such a striking character that some observers were confident that the turning point had been passed. The financial difficulties of Central Europe have proven to be of a more serious character than was generally realized and the resulting reaction has somewhat dulled the effect of the considerable advance during June.

Wages

Brief Views and Happenings From Week to Week

Canadian National Railway employees who receive a salary in excess of $3,600 are to receive a 10 per cent salary cut, according to an announcement made recently by Sir Henry Thornton, chairman and president of the system. The cut will be effective Aug. 1 and will be in force ten months, at the end of which time the reduction will be restored unless the directors order otherwise. No salary in excess of $3,600 shall be reduced below $3,600 by the cut, it was agreed. The cut will not be applicable where the rate of pay and working conditions are governed by scheduled agreements, it was announced.

Wages in the Building Industry in the United States are 14 to 27 per cent below scale according to a survey made by Engineering News Record. The survey covers 45 representative cities and indicates that average actual wages received are 17 per cent below scale for carpenters and bricklayers; 16 per cent for plasterers; 14 per cent for ironworkers; 27 per cent for common laborers. In most cities large contractors continue to pay scale wages but smaller contractors are cutting rates, frequently with the knowledge of union officials who take no action against it.

Business Briefs

Car loadings showed a 10 per cent gain for the week ended July 11, as compared with the previous week, but the weekly total is still nearly 22 per cent below the same figure a year ago. Total loadings for the week were 47,729 cars as compared with 60,988 a year ago.

Wheat Stocks in Canada as at July 17 showed a very small decline from the preceding week. Total stocks in store now amount to 113,678,000 bushels as compared with 113,471,000 bushels for the same week a year ago.

Lumber Exports during June from Canada were but 57 per cent of the value exported in June last year, the total being $2,722,659 as compared with $4,749,096. June was nevertheless considerably better in the matter of lumber shipments than was May of the present year. United States was again the heaviest buyer, United Kingdom ranking next.

Farm Implements and machinery exported during June amounted to $305,142, compared with $468,434 in May and $1,052,287 in June last year.

THE TRUTH ABOUT A POPULAR FALLACY

"I can't afford to have my estate settled by a Trust Company. A Trust Company is too expensive."

This is not true. The fact is that the fees allowed a Trust Company are no larger than those allowed by the Court to a private executor. The use of its services represents sound economy in that it eliminates mistakes due to inexperience or unsound judgment, which may prove expensive and even disastrous.

The settlement of an estate or the handling of a trust calls for permanence, experience, knowledge and technical skill.

THE ROYAL TRUST COMPANY

Executors - Trustees - Investment Agents
Transfer Agents - Trustees for Bondholders
Safe Custodians - Etc.

59 Yonge Street, Toronto

Branches Throughout Canada

Assets Under Administration Exceed $830,000,000

NO ESTATE TOO SMALL FOR OUR ADMINISTRATION

Dominion Bridge Co.
LIMITED
Montreal, P. Q.

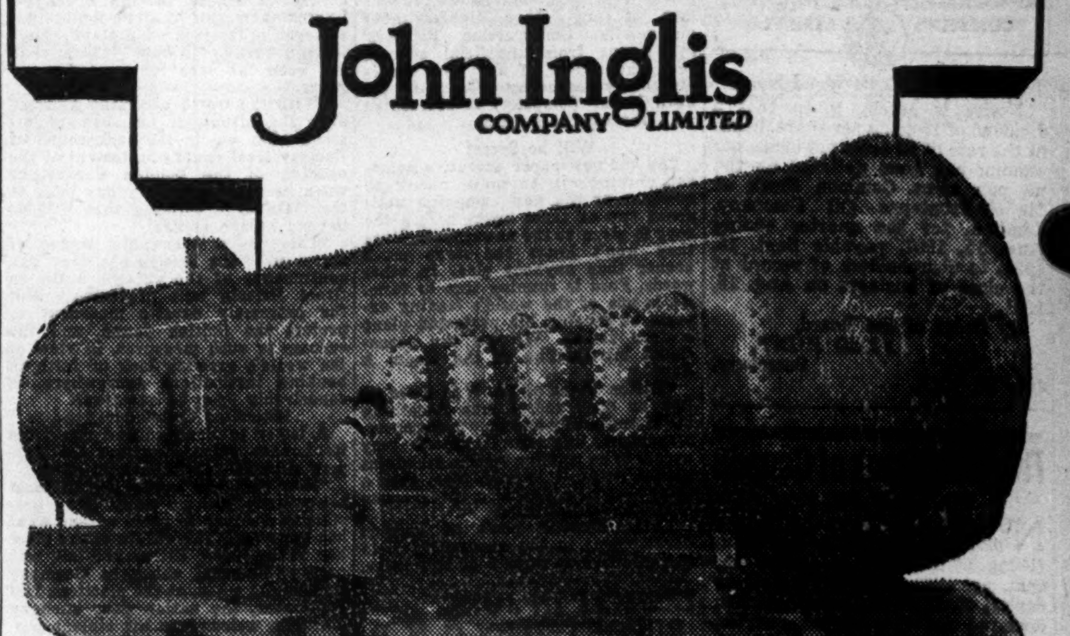
Engineers, Manufacturers and Erectors of Steel Structures

Head Office and Works
Lachine Locks, P.Q.
P.O. Address, Montreal, P.Q.

Branch Office and Works
Amherst Ottawa Toronto
Winnipeg Calgary Vancouver

Sales Offices
Montreal Toronto Calgary Edmonton
Ottawa Winnipeg Regina Vancouver

Another Achievement of the John Inglis Company Limited



PICTURED above is one of four bubble towers built for Imperial Oil Limited, Sarnia, Ontario, for use in their refineries.

Each of these towers is thirty-four feet, six inches in height and seven feet, seven inches in diameter, and weighs sixty thousand pounds.

The shell is of seven-eighth inch steel with one and one-quarter inch steel heads.

The entire job was engineered and built in our own shops at 14 Strachan Avenue, Toronto.

Our consulting bureau is at your disposal to give advice on your Engineering and Boiler problems no matter how difficult they may be, and you are under absolutely no obligation.

The John Inglis Company Limited

14 Strachan Avenue - Toronto
618 Castle Building - Montreal

DIVIDEND NOTICES

CANADIAN HYDRO-ELECTRIC CORPORATION LIMITED

Notice of Dividend on 6% Cumulative First Preferred Stock

Ottawa, Canada, July 23, 1931

The Board of Directors has declared a quarterly dividend of 1½% ($1.50 a share) on the shares of 6% Cumulative First Preferred Stock of the Corporation payable in cash September 1st, 1931, to holders of record of such stock at the close of business on August 1st, 1931.

Cheques will be mailed. Stock transfer books will not close.

J. R. Binks, Secretary

Lake of the Woods Milling Co. Limited

DIVIDEND NOTICE

Notice is hereby given that a Dividend of 1¾ per cent on the Preferred Stock of the Company for the Three Months ending August 31st, 1931, be declared payable on Tuesday, September 1st, 1931, to shareholders of record at the close of business on Saturday, August 15th, 1931.

By order of the Board.

D. A. MACINNES, Secretary.

NOVA SCOTIA LIGHT & POWER COMPANY, LIMITED

Preference Dividend No. 13

Notice is hereby given that a dividend of one and one-half per cent (1½%) for the quarter ending August 31st, 1931, has been declared upon the 6% Cumulative Redeemable Preference Stock of the Company, payable September 1st, 1931, to shareholders of record at the close of business August 15th, 1931.

By order of the Board.

C. J. HAYES, Secretary.

Halifax, N.S., July 27th, 1931.

DIVIDEND NUMBER 217

HOLLINGER CONSOLIDATED GOLD MINES, LIMITED

A dividend of 1% on the outstanding Capital Stock of the Company has been declared payable on the 12th day of August, 1931, on which date cheques will be mailed to shareholders of record at the close of business on the 29th day of July, 1931.

Dated the 22nd day of July, 1931.

I. McIVOR, Assistant-Treasurer.

THE CANADIAN BANK OF COMMERCE

DIVIDEND NO. 178

Notice is hereby given that a dividend of Three per cent on the paid-up capital stock of this Bank has been declared for the quarter ending 31st August, 1931, and that the same will be payable at the Bank and its Branches on and after Tuesday, 1st September next, to shareholders of record at the close of business on the 31st day of July, 1931. The Transfer Books will not be closed.

By Order of the Board.

S. H. LOGAN, General Manager.

Toronto, 17th July, 1931.

UNDER THE MANAGEMENT OF POWER CORPORATION OF CANADA LIMITED

East Kootenay Power Co. Limited

Dividend No. 29

A DIVIDEND of One and three-quarters per cent. (1¾%) being at the rate of 7% per annum on the 7% CUMULATIVE PREFERRED STOCK of EAST KOOTENAY POWER COMPANY, LIMITED has been declared for the quarter ending August 31st, 1931, payable September 15th, 1931, to shareholders of record August 30th, 1931.

By order of the Board.

L. C. HASKELL, Secretary.

July 24th, 1931.

McCOLL-FRONTENAC OIL COMPANY LIMITED

Common Stock Dividend No. 8

Notice is hereby given that a dividend of 15 cents per share, being at the rate of 60 cents per share per annum, has been declared on the no par value Common Stock of McColl-Frontenac Oil Company, Limited, for the quarter ending Aug. 15, 1931, payable Sept. 15, 1931, to shareholders of record at the close of business on Aug. 15, 1931.

By Order of the Board,

FRED HUNT, Secretary.

July 23, 1931.

The Royal Bank of Canada

DIVIDEND NO. 176.

NOTICE is hereby given that a dividend of three per cent. (being at the rate of twelve per cent. per annum) upon the paid-up capital stock of this bank has been declared for the current quarter, and will be payable at the bank and its branches on and after Tuesday, the first day of September next, to shareholders of record at the close of business on the 31st day of July.

By order of the Board.

M. W. WILSON, General Manager.

MONTREAL, Que., July 14, 1931.

DISTILLERS CORPORATION-SEAGRAMS LIMITED

DIVIDEND No. 9

Notice is hereby given that a Dividend of 25c per share on the outstanding Capital Stock of this Company has been declared for the current quarter, payable on August 15th to Shareholders of record at the close of business on the 31st of July 1931.

By order of the Board,

ALLAN BRONFMAN, *Secretary.*

Montreal, July 21st 1931.

Metal Prices

New York—July 28:
Copper: Electrolytic spot, 7¾c to 8c lb.
London—July 28:
(Long Ton)—
Copper: Electrolytic spot, £36; future, £37.
Standard spot, £32 17s 6d; future, £33 15s.
Tin: Spot, £109; future, £111.
Lead: Spot, £12 2s 6d; future, £12 10s.
Zinc: Spot, £11 17s 6d; future, £12 5s.
Silver: 12-15/16 d per ounce.

CANADA SALES FORD, DURANT MUCH LOWER

General Motors Models Up 10 Per Cent in First Six Months

FORD PLANS SECRET

But Important Announcement Expected by Trade in Next Month or Two

Substantial decline of Ford and Durant passenger car sales in Eastern Canada for the first six months of 1930, is revealed by an analysis by The Financial Post of figures prepared by Might Directories, Toronto, and published each month in Canadian Automotive Trade.

Ford sales of passenger cars for the six month period are down approximately 38 per cent in Ontario, Quebec and the Maritimes, while Durant shows a slump of 61 per cent for the same period. On the other hand the three leading sellers of the General Motors line in Canada show a gain of 10 per cent for Chevrolet, 8 per cen tfor Pontiac and 13 per cent for Buick. Total sales of all passenger cars in this area are off 23 per cent.

Chevrolet Leads Ford

A year ago Ford passenger car sales were 42 per cent ahead of Chevrolet in these territories and for the six month period. This year Chevrolet has not only cut down this substantial lead but has actually nosed ahead of Ford by 276 units. In commercial cars Ford still maintains leadership, however.

The Durant decline also makes changes in the ranking of passenger car producers in Canada. A year ago, Durant ranked next to Ford and Chevrolet in the number of cars produced in the six month period. Now Durant has been passed not only by the two leaders but also by Pontiac, McLaughlin Buick, Essex and Chrysler. For June alone, Durant sales were less than a third of those for the same month last year, in spite of the fact some half dozen makers reported sales actually higher than June, 1930.

Sales of the seven leading producers (on the basis of 1931 business) are as follows:

Passenger Cars (First Six Months)

	1931	1930	1929
Chevrolet	10,860	9,817	13,267
Ford	10,584	17,040	16,500
Pontiac	3,269	3,003	5,675
McLaughlin	2,154	1,869	2,607
Essex	1,520	2,380	6,839
Chrysler	1,485	1,608	2,073
Durant	1,263	3,270	4,654
Total (all makes)	40,846	53,051	77,039

Ford is Big Problem

Just what Ford's next move will be is still the big problem that is worrying most manufacturers. Until that question is settled there is little chance of stability in the industry although other leading makers are going steadily ahead incorporating novel and striking mechanical changes in their new models. Ford may upset the applecart by price reduction or on the other hand he may introduce important changes in his dearly-beloved Model "A." Here is the latest "story" on Ford, as told by Printer's Ink:

"The story is that within the next month or so Henry Ford will dramatically introduce an "Edison Eight." Price, it is said, will be well under that of any other eight-cylinder automobile. Construction, Printers' Ink learns from unofficial sources (and the report of any new car is vigorously denied by officers of the Ford Motor Company) is proceeding with the utmost secrecy.

Will be Secret

"As one newspaper executive points out, nothing will be known about the new car or the new campaign until about two or three hours before the copy is given to the newspapers. Even they won't know the news much sooner than anybody else. In other words, Ford is running true to form. He is one of the world's leading experts at keeping his projected plans a deep secret. Witness the sensational introduction of the Model A Ford.

"Edison Eight or no, it is more or less an open secret that something big is under way and that newspapers, magazines and farm papers may expect to be running sizable schedules before long. It is said, also, that a large radio advertising programme is being worked out."

Note: Further news of current development in the automotive field is contained on page 7 of this issue.

DEFICIT IN JUNE REPORTED BY C. N. R.

Six Months Net Totals $1,329,035, Down $10,064,874

From Our Own Correspondent

MONTREAL.—Despite a reduction of $1,819,625 in operating expenses as compared with the same month last year, Canadian National Railways System sustained a net revenue deficit of $105,005 in June, 1931, as compared with a net revenue of $2,454,877 in June, 1930.

Gross revenue in June of the current year excluding Eastern Lines, was $15,236,230, a decrease of $4,169,498. Operating expenses were $15,341,235 and though recording a substantial decline were not sufficient to prevent a deficit.

In the first six months of the current year net revenue was $1,329,035 a decrease of $10,064,874 as compared with a corresponding period in 1930. Gross revenues were $88,275,626 a decrease of $21,635,465 and operating expenses were $86,946,590 a reduction of $11,570,590.

A 10 per cent cut in all salaries over $3,600 becomes effective August 1st.

DIVIDEND NOTICES

Canadian Car & Foundry Company, Limited

DIVIDEND NOTICE—PREFERENCE STOCK

Notice is hereby given that a dividend of forty-three cents (43c) per share on the paid up Preference Stock of the Company for the quarter ending September 30th, 1931, has been declared, payable on the 10th day of October, 1931, to Shareholders of record on the 25th day of September, 1931.

By order of the Board,

A. C. BOURNE, Secretary.

Montreal, July 27th, 1931.

Chemical Research Corp.

Lack of Adequate Information as to Position and Prospects of $7,000,000 Company Leads to Belief That Shareholders' Protective Committee Should be Formed

(Third Article to Shareholders of this Company)

What information should be obtained from Chemical Research Corporation, asks a shareholder who in common with The Financial Post has found the situation surrounding this company's affairs unsatisfactory?

In answer The Financial Post publishes herewith a questionnaire submitted nearly two months ago to F. Beall, president of the company, and to which no reply has been received.

The questions are as follows:

1. What is the actual daily production in barrels on which royalties are collected?

2. What royalties are received on this barrelage? (We understand that they are considerably less than the 25 and 35 cent payments commonly associated with the enterprise.)

3. Is it correct also that royalty revenue is on a sliding scale with very low royalty receipts after a certain production is reached? If so, does this apply to companies already operating; to companies licensed or to new business?

4. Does Gyro Process receive any revenue from "licensed" companies unless they have actually installed converters which are in production?

5. Has Chemical Research Corp. as yet received any revenue from its subsidiary, Gyro Process Co.?

6. What are the immediate and future prospects of Chemical Research for obtaining any revenue from Gyro Process? If Gyro Process did declare a dividend, what proportion of it would Chemical Research receive?

7. Is there any balance sheet or earnings statement of Gyro Process Co. available?

8. Just what is Pure Oil Company's connection with Gyro Process Co. outside of its 25 per cent. stock interest? Who is paying for research work? Is it not correct that this is all being done by Pure Oil Company, and, if so, how are they remunerated?

9. We understand that the Gyro process was not perfected in 1928, but that considerable money has been spent subsequently acquiring patents and so forth to give the organization control of a continuous process. Is this correct, and, if not, how much longer will it be before revenue received by Gyro Process Co. could be distributed as dividends rather than used in research and so forth?

10. What is the exact data at the present time on Gyro Process units in operation, as to barrelage, date of contract and royalties?

11. Who owns a controlling interest at the present time in Chemical Research Corporation?

12. As to the operations of the patent club, we understand that members of this Club who might use the process would only pay a 23-cent royalty, but that any companies outside the pool would pay 35 cents while 10 cents would be paid to the pool. If this is correct, is it not true that hardly anyone would ever pay a 35-cent royalty as most important companies are in the Patent Club?

British Pound Flight Alarming to Bankers

France Insists on Political Guarantees as Preliminary to Aid For Germany

Some of the withdawals of funds from the London, England, market are the result of French political pressure on Great Britain to secure support of the French demand for concessions in Germany, according to a well informed New York banker writing to Bongard and Co., stock brokers, Toronto. The bankers says in part:

"For about a year, London has been the highest 'safe' capital market of the world. Short term bills in London today are quoted about 2¼-⅜ per cent as against less than half that rate in the United States. French banks, like those of the United States, have had a very large surplus of practically unloanable funds, and the result has been that a higher London rate has tended to attract an unusually large volume of short term credits. I have no definite information as to the volume of such credits, but my suspicion is that they are as large or larger than those which were granted to Germany, which, according to the Washington memorandum issued recently, amounted to about $1,200,000,000.

Aid For Britain

"The London Conference was, I believe, called at least as much in the interests of the British financial situation, as it was with respect to Germany. England undoubtedly has several hundred million dollars in short term credits lodged in Germany which she cannot now recall. She also has very large credits outstanding in Australia and South America which are at least partly frozen owing to the lack of gold reserve in the various countries, as well as their inability to secure foreign exchange. I think there can be little doubt that a larger proportion of Britain's huge foreign credits is now frozen than has been the case for a good many years.

"With the world becoming alarmed over the situation, one can understand what was in the background of Ramsay MacDonald's statement at the opening of the London Conference when he said that every day adds to the risks of a collapse that will be beyond human control.

"There is a noticeable degree of alarm as to the British position. The continuance of the present drain on Great Britain will presumably call for extremely drastic measures to protect the British pound, and the success of such measures, in view of the world's growing lack of faith in banking institutions everywhere, is conceivably open to question."

Hitlerites Called Menace

A letter to Bongard and Co., from its London office discusses the German situation as follows, in part:

"Now that the smoke has at least temporarily cleared away it is possible to analyze to some extent what has happened. The villain of the piece has really been Hitler and all this present financial chaos in Germany commenced when, at the elections last September, the nation gave such an alarming welcome to his violent programme, which included the repudiation of all foreign obligations which could be remotely connected with the war; of a majority of the internal obligations; a complete repudiation of the Treaty of Versailles and, as a further important part of it, his violent campaign against the Jews in Germany, threatening them with the cancellation of all their rights as citizens and appropriation of their property. It now appears that the drain of money from Germany commenced immediately after this, brought about by the fear of foreign creditors and of the government themselves that a Hitler government would some day succeed to power and that some part at least of the above programme would be carried out. In the last eight months well over one hundred million pounds in foreign exchange has been purchased in Berlin and this steady drain has been going on in accelerated force until the situation got to what it was when Hoover intervened. It is authoritatively stated that 80 per cent of these withdrawals were by German Nationals themselves and a very large part of this has been made by the German Jews terrorized by Hitler's anti-Jewish propaganda. One of the criticisms now directed against the German government is that they did nothing to stop withdrawal by all their nationals and that they are now trying to blame it upon the foreign creditors who did not entirely deserve it.

"The flight of capital from Germany and the growing panic of foreign creditors and its own nationals, in face of the Hitler propaganda has also been more accentuated by political events in that country since last September. The government has permitted all sorts of demonstrations by Hitler's Steel Helmets, everyone of which has been accompanied by wild speeches about the repudiation of debts and the Treaty of Versailles, and all of which have been held under the chairmanship of either a Hohenzollern or a famous general.

"This shows why the French did not accept the Hoover plan with any great enthusiasm. French public opinion was inclined to be hostile and it would have been folly to fly in the face of it. The government would have been turned out and, in that event, anything might have happened.

Seek Guarantees

"The present attitude of the British and French Governments, with Hoover apparently backing them, is that they want a guarantee from Germany that such further help as they give her will not be simply wasted or spent upon such things as battleships. They also want something done in the way of suppressing provocative propaganda by the Hitler crowd and something to show that this party has been taken in hand. They also require some sort of guarantee showing that Germany is serious in her attempt to rehabilitate her financial position and is going to stop the flight from the mark by her own Nationals.

"It is generally thought in the city that Germany will have to concede on these points, and the attitude of the British and French Governments is generally sympathized with and understood.

"As I indicated in my cable, the danger is that the Bruening Government will not be strong enough to overcome the national distaste to giving such guarantees and that the Hitler Party will be able to seize an opportunity of carrying out their professed intention of a revolution, and, although I think everyone will be astute enough to avoid such an occurrence, it must, as I say, remain a danger point, and one of the uncertainties of the situation.

PLAN NEW TOWN AT CHURCHILL, MAN.

New Ocean Port Will Mean Development of District

Churchill, Manitoba's new port on Hudson Bay, will not be practical for settlement purposes until the summer of 1932, according to a recent statement of the provincial Minister of Mines and Natural Resources. Ocean vessels will go to the port early in September this year to make some test shipments of grain overseas, but so far plans for the new town have not been approved.

Possibilty of a scanty water supply in winter will necessitate making the town fireproof, and it is planned, therefore, to make all public buildings 100 per cent fireproof and residential buildings semi-fireproof. As the town is at a considerable distance from timber supplies, it is estimated that the cost of such fireproof construction will not be much greater than if wood were used.

Water Supply Difficulty

The question of water supply, which is complicated by climatic conditions, is one of the most serious problems confronting the Government. The Department of Railways and Canals of the Dominion Government, which has charge of constructing the seaport and terminal facilities, has spent $400,000 in obtaining the water supply for its needs from a lake near the new town, but it is not certain that the difficulty has been permanently solved in this manner. There is a possibility that the best supply for the town may be found in the Churchill River, at a point beyond the reach of salt water. However, since the river is comparatively shallow, there is some danger to the main from ice conditions in the early summer, and it may be necessary to lay the main below the surface. The townsite lies on a rocky promontory between the estuary of the river and the bay.

B. C. Lumbermen Hope for Big British Order

From Our Own Correspondent

VANCOUVER.—Important lumber orders are expected to be placed with British Columbia mills by the London County Council as a result of the recent visit to the coast of E. M. Dence, vice-chairman of that body, who has been conferring with lumbermen and Government forest experts here.

On Mr. Dence's report will largely depend what British Columbia manufacturers will sell to the London County Council. Construction of 125,000 houses in the metropolitan district of London is being planned by the council.

Mr. Dence's visit is largely the result of Hon. H. H. Stevens' visit to London last year, when the Canadian minister of trade and commerce consulted with the London County Council and urged it to place a larger proportion of its orders in Canada. Recently the council adopted the principle of giving preference to Empire lumber, which is regarded here as an important advantage for the lumber industry in this province.

CANADA BREAD FUTURE SEEMS MORE HOPEFUL

Annual Report is Expected Some Time in August

Annual report of the Canada Bread Co., for the fiscal year ended June 30 last, is now in the course of preparation, and will be ready for shareholders about the middle of August. Although no information is available regarding the results of the year's operations, business economies effected during recent months are said to be producing beneficial effects, and results during the last three months of the company's fiscal year are stated to have shown a general improvement over third quarter operations, according to Victor Loftus, general manager.

In a letter accompanying preferred dividend cheques, Mr. Loftus recently stated that business in the company's cake department, which is an important factor from the standpoint of earnings was very satisfactory. For the fiscal year ended June 30, 1930, the company reported earnings applicable to the common stock of 83 cents per share against dividend requirements of 75 cents per share.

Competition Less Keen

In February this year the common dividend rate was reduced to 50 cents per share per annum, with the declaration of a 25-cent payment March 1. Common dividends are payable semi-annually. At the time of the reduction, directors announced that they would give consideration to the payment of the balance of 12½ cents by way of a bonus at the end of the fiscal year should conditions warrant such action. Likelihood of this action, no doubt, will depend largely on what the annual report will show.

Very keen competition in the bread business at the end of 1930 and earlier in 1931, together with some changes in flour prices in the early part of the company's fiscal year will, of necessity, account for certain write-offs. However, it is felt now that flour prices are on a more stable basis. Competition in bread sales, notably from chain store companies, although still keen, is not of the same character as at certain periods in the fiscal year just passed, and officials are optimistic with regard to the course of business during the next 12 months.

FINANCE POLICIES OBTAINED BY FRAUD

Judgment in Favor of Insurance Companies in Manufacturers Finance Case

Creditors of Manufacturers Finance Co. will not be able to collect on insurance guarantee bonds placed to cover the company's "paper," according to a judgment handed down at Osgoode Hall, Toronto, last week. Chief Justice Rose in giving judgment stated that in his opinion fraudulent concealment and misrepresentation of facts had been used by the company in procuring the policies.

"I have reached the conclusion," declared the chief justice, "that the writing of each of the policies was induced by fraudulent misrepresentation. Some of it is in the form of statements made by W. M. McDonald, secretary of the Finance Corporation, directly to the responsible officer of the insurance company, and some of it reaching the insurance company through an agent's or broker's repetition of statement, in the hope that the policies would be repeated."

The action thus dismissed was brought by G. T. Clarkson, liquidator and receiver, the Trusts & Guarantee Co., the Canadian Bank of Commerce, the Royal Bank of Canada and the Banque Canadienne Nationale, against the Canada Accident & Fire Insurance Co., the London and Provincial Marine and General Insurance Co., the Northern Assurance Co. and the Sun Insurance Office.

The litigation was for a declaration that the guarantee bonds or policies issued by the four insurance companies on the purchase money obligations held by the finance corporation were binding on those insurance companies. These "obligations" or notes were held against piano and gramophones obtained from dealers from purchasers on the "easy payment" plan.

Stevens Makes Reply to B. C. Egg Producers

From Our Own Correspondent

VANCOUVER.—According to Hon. H. H. Stevens, the protests of British Columbia poultry men regarding the Australian trade agreement are ill founded. The egg producers are complaining that the Australian eggs are to be entered free of duty during the months of January and February.

"As a matter of fact," says Mr. Stevens, in a wire to friends in Vancouver, "Australian eggs have been admitted free to Canada every month of the year ever since 1925. The new agreement restricts them to two months. The egg producers are therefore kicking about an actual improvement in the situation from their point of view."

Officers of British Columbia egg pools and co-operative agencies seized upon the egg clause in the agreement as a threat against the profitable winter market which in past years has been their best sales period. Looking up the records, however, it is disclosed that while Australian eggs have been subject to no duty, not a single shipment has been received in Canada during the five year period.

Can. Cottons Plants at 65% of Capacity

From Our Own Correspondent

MONTREAL. — Mills of Canadian Cottons Ltd. are running at about 65 per cent of capacity, and though business still leaves much to be desired, A. O. Dawson, president of the company, has hopes of some moderate improvement.

Competition in the domestic field continues very keen but it is stated that the company is developing new products while the various protective tariffs imposed in September, 1930, have tended to moderate the effects of business conditions on the textile industry.

Dom. Steel and Coal Awarded Rail Order

From Our Own Correspondent

MONTREAL. — Dominion Steel & Coal Corp. has received an order from Canadian Pacific Railway for 6,560 tons of 100 lb. rail. The order will be executed in the company's Sydney plant.

This is expected to aid the industrial situation in Cape Breton materially. Operations in the district have dropped to a low level on account of the falling off in steel production.

Ashley Cuts Vein On 250 Ft. Level

Word from the Ashley Gold Mining Corp. property in Matachewan, now under development by the Mining Corp. of Canada, says the vein on the 250 ft. horizon has been intersected in a distance of 61 ft. The vein shows 16 inches of good looking quartz with free gold, tellurides and sulphides, but assays are not yet available. There is 36 inches of slightly altered basalt with thin stringers of quartz.

Drifting is in about 71 ft. on the vein and plans now call for simultaneously drifting on the 125 and 250 ft. levels.

Crop Prospects

CROPS AFFECTED BY HEAT, WINDS

Past Week Disastrous in West, Says Dominion Bureau

Excessively high temperatures, hot winds and almost negligible rainfall made the past week one of the most disastrous of the season for Western Canada grain crops, says the Dominion Bureau of Statistics in its weekly report dated July 28.

Wheat, now generally in head, is said to be ripening prematurely over practically the entire area of the three Prairie Provinces where farmers specialize in its production. Crops which were already light and patchy in Southern and Western Manitoba, South-central Saskatchewan and Southern Alberta, suffered greatly as moisture supplies were soon exhausted under the drastically unfavorable weather conditions.

From the outskirts of the wheat area—Northern and Eastern Manitoba, Northern Saskatchewan and West-Central and Northern Alberta—more promising reports were received, but even in these districts conditions were sustained rather than improved. In some areas of Alberta, the report continues, the heat was even welcomed for its effect in maturing backward growth.

Rye and barley are now being cut and are generally showing very poor yields. Earliest yields of wheat will be ready for the binder within a few days and cutting will be general over wide areas before mid-August.

Grasshoppers are reported as particularly destructive in Manitoba and Alberta and their numbers, the Bureau says, suggest further damage next year.

As in the previous week, destructive hailstorms covered considerable areas of Saskatchewan and Alberta.

Rain Again Needed Across Saskatchewan

From Our Own Correspondent

REGINA. — Crops during the past week have deteriorated in some districts due to the excessively hot weather according to telegraphic reports received over the week-end by the statistics branch of the Saskatchewan Department of Agriculture. During the previous week some good rains fell in different parts of the province which improved crop prospects. Hot dry weather was experienced last week, however, and in districts where the supply of soil moisture was low, crops, were seriously affected and expectations of production of cereal crops and feed materially reduced.

Good rains are urgently needed. Crops in central and southern Saskatchewan vary from poor to complete failure. In other parts they are better and there are some fair crops in the northern districts. Cutting of fall rye mostly for hay has started, the crop generally being reported patchy and poor. Grasshoppers are quite numerous in some districts and some reports of damage have been received. The crop is comparatively free of disease. Quite a number expect harvesting to start from the 10th to the 15th of August. Livestock are generally in fair condition but pastures in most districts need rain.

L. J. BELNAP WILL BE HEAD CAN. POWER

(Continued from page 1)

extension date announced by the Security Protective Committee, and how this affects the shareholders who have not deposited their shares.

"In the report of the meeting held on July 9, 1931, the opinion of our counsel was given to you in which it was pointed out that whether you deposit your stock or not you will ultimately receive in satisfaction of your legal right as shareholders substantially the same consideration as those of the preferred shareholders who in fact have deposited their preferred shares before the 15th of July, 1931, and the same also applies to any extensions thereof.

"Therefore, it is our opinion that your interests will be best served by holding on to your stock, and not to deposit same.

"In the report sent to you last week you will please note that at the preferred shareholders' meeting held on July 9, 1931, a resolution was passed authorizing your committee to request from the Securities Protective Committee copies of records and data used by them so that your committee could go over same and point out the discrepancies that must exist, as otherwise the award for Belgo preferred shares could not possibly have been such as is given in the plan.

"Our legal adviser made an appointment with the Security Protective Committee and your chairman together with our counsel met the Hon. Chas. A. Dunning, chairman of the Security Protective Committee, and their counsel, Hon. J. L. Ralston, K.C., who informed us that the Security Protective Committee, had held a meeting the previous day and it had been decided that no further information or data used in preparing the plan dated June 2, 1931, was to be given out.

"Your committee is exceedingly sorry to report to you such an attitude on the part of the "Securities Protective Committee" and it appears to your committee, as authorized representatives for the protection of your investment that you as the party who has paid the money for the Belgo preferred stock, on which now no interest is being paid, and for which you have been offered three shares of doubtful value, for which according to your committee's investigation, we think you are entitled to receive at least $60 of the new bonds for each $100 of your present preferred shares, and five shares of the new company's common stock.

"We also think that you are entitled to know how the plan has been made up, and that before you accept or reject the offer made you must know how the Securities Protective Committee reached a conclusion which to us appears neither just or equitable.

"It appears to your committee that until such time as the Securities Protective Committee furnish the information used in preparing their plan, so that your committee can check it over, the basis of calculation of relative value of your preferred stock should be taken as that given in the report submitted to the preferred shareholders' meeting held on July 9, 1931, which is $67.28 in new bonds plus a proper participation in common shares.

"Your committee has already received a substantial support from Belgo preferred shareholders."

John Stadler Explains Position of Preferred

Editor, Financial Post,—

In your issue of July 25th under the heading of "Can. Power Nears Completion" you state in the fifth paragraph as follows,—

"Security holders of Belgo Canadian Paper Co. under the leadership of Hubert Biermans and John Stadler, continue in their opposition to the plan."

To prevent any misunderstanding please be advised that the special committee of Belgo preferred shareholders, of which I am chairman, is opposing the plan only in so far as question of participation is concerned.

The information obtained so far conclusively shows that Belgo preferred shareholders are entitled to receive for each 7% cumulative preferred share of the Belgo Canadian Paper, $60 of new bonds and five shares of common stock as issued under the plan devised by the Securities Protective Committee.

The committee, acting on behalf of the Belgo preferred shareholders has made repeated requests to the Hon. Charles A. Dunning, chairman of the Securities Protective Committee, for figures and other information which were used by the Securities Protective Committee in preparing their scheme.

Until such time as this committee has received the information requested from the Hon. Charles A. Dunning, and has had an opportunity to check over the figures and information supplied, it cannot do otherwise than consider as correct the values and proportional participation on fixed assets as shown in a report which the special committee of Belgo preferred shareholders presented to the meeting held on July 9th, according to which each $100 par value preferred share of the Belgo Canadian Paper Co. is entitled to an equivalent value of $67.28 of the new bonds, provided that the new bond issue on the Belgo property is made at the same percentage as has been done for the other companies comprising the Canada Power & Paper Corporation.

The Belgo preferred shareholders and the committee representing them, have no desire to wreck some appropriate scheme for the re-organization of the Canada Power & Paper Corporation and its subsidiaries, but we think it quite unreasonable to suggest that we should calmly take, without a proper opportunity to investigate the award of a committee, in the nomination of which we had no voice, upon which we had no spokesman who could put forward our claims for consideration, and which does not even want to give out any information as to how the participation has been arrived at.

Montreal, P.Q.
July 27, 1931.

J. STADLER,
Chairman Special Committee, Belgo Preferred Shareholders.

Belgo Shareholder Demands More Facts

Editor, The Financial Post,—

There has been considerable correspondence in the papers criticizing the Canada Power & Paper Protective committee's plans in endeavoring to bring about an absorption of paper mills of good standing into a combination with other mills which have proved themselves to be bad and indifferent. In self-protection I should like to express my feelings. There has been other correspondence, which I would judge to be fostered by those connected with the Dunning plan, and that they represent the big financiers is evidenced by the fact that certain papers always give prominence to the Dunning letters in preference to the correspondence which seems to come from the shareholders of individual paper companies, this latter correspondence appearing in out of the way corners of the paper where it will not readily be seen. If the group who formed themselves into a special committee in an endeavor to make good a large amount of apparently bad investments are successful in their endeavors to force Belgo Canadian Paper Co. in which they have only a small interest, to be scrambled up into their own bad omelette, it will be a crying shame.

I am told that enquiry has been made of the committee why the Belgo company, which is a good company and has no liabilities whatever, can manufacture paper cheaper than any of the manufacturing companies, is considered in the Canada Power Plan as having no more value or practically no more than the bad mills. In reply I am told that the said Canada Power Plan Committee will refuse absolutely to give information as to how they arrive at their conclusions.

The Anticosti Island Co., they say, is a poor company but they have got to give as good consideration for that as to the Belgo Canadian Paper Co. because forsooth three of the companies involved (but not including the Belgo Paper Co.) have guaranteed it, and they say this is a good reason why the Anticosti Island Company should get as much as the Belgo company. I read in the papers that Mr. Dunning says that the banks, who have loaned money, must get bonds in payment of the borrowings. The Canada Power Co. have borrowed from Belgo over five or six million dollars and the Canada Power Co. say that for that loan no consideration shall be given at all. The Canada Power Co. take the money from the Belgo company and use it to build new machines on what was Belgo property but by the simple method of selling the property to themselves they say the machines are theirs but they owe the Belgo company the money and the committee seemingly say it was a just piece of business.

As a shareholder of the Belgo company I have received from the committee a booklet and one part reads in this way:

"Holders of bonds, debentures, preferred shares and common shares of any one or more of the above mentioned companies—who do not become parties hereto in the manner herein provided within the period limit therefor, shall not be entitled to become parties to the plan and this Agreement, or to share directly in the benefits thereof and shall acquit no rights thereunder except with the express consent of the Committee, who hereby reserves the right to withhold or to give such consent."

When I received the circular coming from such men as the representatives of the Sun Life and other insurance companies, etc. I thought that what they said was correct and there was nothing for me to do except to send in my shares or I would lose everything. From what the papers say I now understand that they had no right to say this and that it was only put in to frighten people into making the deposit, the same effect as it had on me.

The Canada Power plan committee know that the Belgo company are suspicious that the plan they have drawn up is for the main purpose of trying to make their own bad investments better no matter at what cost. The Belgo shareholders are not interested in Anticosti, or St. Maurice, or Wayagamack, or Port Alfred, and prefer to keep their own company out of such an indifferent association and if we have been more discriminating in making our investments than has the committee or the parties whom they represent, then, if they are on the square, they should not force Belgo unwillingly into the scheme. At the very least they should permit the representative committee of Belgo Canadian Paper Co. to see the figures so as to enable them to see the position of the different companies. In refusing to divulge their figures they are leaving themselves open to the gravest of suspicion, perhaps hoping that the wording of their circular quoted above will be sufficient to give them the power to carry out their plan.

The Canada Power Committee are said to be men of standing. Let them place themselves above suspicion by the simple expedient of putting their cards on the table which so far I am told they are very unwilling and won't do.

BELGO SHAREHOLDER

Montreal,
July 28, 1931.

The Western Savings & Loan Association
First Mortgage Loans
Agencies throughout Manitoba, Saskatchewan and Alberta
Head Office: Winnipeg, Man.

Broder Financial Agency
Financial Agents
Real Estate Insurance Loans
1812 Rose St. Regina, Sask.

TOOLE, PEET & CO. LIMITED
FINANCIAL AGENTS
Appraisers and Valuators
Estates Managed
CALGARY - CANADA

Black & Armstrong
Real Estate, Valuations, Rentals
Farm Lands, Mortgages and Insurance.
200 Toronto General Trusts Bldg.,
Winnipeg, Manitoba

C. H. ENDERTON & CO.
Established 1890
Real Estate Investments, Mortgage Loans, Insurance, Rentals.
Stocks and Bonds
Members Winnipeg Stock Exchange
222 Portage Avenue, WINNIPEG

Weber Bros. Agencies Limited
PROPERTY MANAGEMENT
REAL ESTATE—INSURANCE
FINANCIAL AGENTS
Edmonton Credit Building,
Edmonton, Alberta

NOTICES

CITY OF THREE RIVERS

LOAN OF $487,500.00

PUBLIC NOTICE is hereby given that the Council of the City of Three Rivers will receive until the seventeenth day of August, 1931, at eight o'clock P.M., at the office of the undersigned, written sealed tenders, endorsed "Tender for the City of Three Rivers Bonds," for the purchase of said City of Three Rivers Bonds, amounting to FOUR HUNDRED EIGHTY SEVEN THOUSAND FIVE HUNDRED DOLLARS ($487,500.) issued for various purposes, under By-Laws duly approved according to law, viz:—

A—$55,000.00 issued by virtue of By-Law No. 405, dated 1st May, 1931, and redeemable by series of annual payments within ten years from said date;

B—$255,500.00 issued by virtue of By-Law No. 74, dated 1st November, 1930, and redeemable by series of annual payments within forty years from said date;

C—$177,000.00 issued by virtue of By-Laws Nos. 76 and 414, dated 1st November, 1931, and redeemable by series of annual payments within thirty years from said date.

The above bonds will bear interest at the rate of 5% per annum, payable semi-annually, on the 1st of May and the 1st of November of each year. Both the principal of these bonds and the interest thereon will be payable at the holder's option, at the chief office of the Banque Canadienne Nationale, in the City of Montreal, or at any of the branches of the said bank, in the City of Three Rivers, or in the City of Montreal, or in the City of Quebec.

These bonds will be issued in denominations of $100.00 or multiples of $100.00 at the purchaser's option and will be delivered as follows:—

1o Those issued by virtue of By-Laws Nos. 405 and 74 on or about September 30th, 1931;

2o Those issued by virtue of By-Laws Nos. 76 and 414 on or about October 31st, 1931.

The said tenders will be considered at the meeting of the Council of the City of Three Rivers, the 17th of August, 1931, at eight o'clock P.M., or so soon thereafter as the Council or its Committee can do so.

Each tender must be accompanied by a certified cheque payable to the order of the City of Three Rivers, equal to 1% of the par value of the issues. The deposit of the tenderer whose offer is accepted shall be refunded to him after the completion of his contract, without interest.

The accrued interest on the bonds must be added to the price of the bonds at the time of their delivery.

The City of Three Rivers reserves the right to reject any or all of the tenders or to accept in whole or in part any of the tenders.

Particulars of the issues and table of maturities of the bonds may be secured on application to the undersigned.

The Treasurer of the City of Three Rivers.

(Signed) JACQUES DENECHAUD.

City Hall, Three Rivers, 23rd July, 1931.

Your Investments

Questions and problems on Canadian investments submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers nor do we answer enquiries relating to American stocks or foreign securities generally. A three-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram.

Associated Canners

Would you be good enough to give me some information on Associated Quality Canners. I have been unable to find out much about this concern. Is there a preferred stock and has the company a reasonable chance of making progress?

Associated Quality Canners is a subsidiary of the Whittall Can Co., which owns 56,320 of the 80,000 common shares outstanding. These shares constitute the sole charge against the property; there is no preferred stock or funded debt. Earnings of Associated Quality Canners in the year ended February 28, 1931, showed a sharp decline and after provision for depreciation there was a deficit of $8,643 as compared with a pront of $193,363 in the previous year. Dividends, which had been paid at the rate of $1.50 annually since 1928, were passed in March, 1931.

The company owns and operates eight canning plants in Ontario, together with a jam manufacturing plant at Hamilton. While the pack last year was satisfactory in volume, low prices affected earnings of all canning companies in Canada. The company's earnings record in previous years (it was formed in 1928) were fairly satisfactory. Given an improvement in prices there appears to be no reason why Associated Quality Canners should not make headway.

Investors' Syndicate

What protection is afforded to those who buy the certificates of Investors' Syndicate of Minneapolis? Are their affairs supervised by the government?

Investors' Syndicate have substantial deposits with four provinces of Canada, namely, British Columbia, Saskatchewan, Alberta and Ontario. In each case the amount deposited in each province and the securities themselves have been determined by the attorneys general of these provinces. We understand that the various government departments require that the deposits maintained be in amount of the excess of any liability under issued certificates.

Of course the arrangement for these deposits does not mean that the governments concerned necessarily approve the type of certificates sold by the Investors' Syndicate, but merely that they desire to see purchasers of these certificates adequately protected for the amount of their investment. But assuming the investor likes the type of investment offered, it is valuable to know that the liabilities are protected by such deposits.

Consolidated Investment

Would you kindly give me your opinion of Consolidated Investment Corp. of Canada 4½ per cent bonds, maturing 1959.

The writer holds bonds which were *purchased over par, now selling at $58 or $60. Do you think* it advisable to *hold with the view of* appreciation or *would you advise* selling, take the loss *and purchase* some other bond with a *ready market*? ?

The advisability of retaining or selling the 4½ per cent bonds of Consolidated Investment Corp. of Canada, due 1959, depends largely upon the position of the individual investor.

This investment trust in common with many other investment trusts has passed through the difficult conditions of the past two years not unscathed. At the end of 1929 the company had an equity of $1,966 behind each $1,000 debenture and at the end of 1930 this equity had dropped to $1,524. In 1930 debenture interest was earned 2.02 times as compared with 1.96 times in 1929. The dividend on the 5 per cent preferred stock, due June 1, 1931, was passed and this would indicate a further decrease in earnings.

In spite of serious depreciation in the securities held by the trust the equity behind the bonds remains quite substantial. This equity would tend to be increased with any improvement in the security markets and it would appear probable that over the next two or three years the price of the Consolidated Investment bonds would increase materially. Such an increase in price would also bring a certain degree of increase in marketability. A sale of these bonds at the present time would involve quite a sacrifice of principal at a time when it is generally accepted that the business depression has at last shown indications of being near bottom.

Abitibi Power

If possible, would you kindly inform me what is the capitalization of the Abitibi Power and Paper Co., how much of its authorized capital is paid in, and what its total volume of business was during 1930-31?

The capitalization of Abitibi Power and Paper Company Limited, which operates newsprint mills and controls also a number of other companies in the paper and power field is as follows:

Five per cent first mortgage bonds due 1953; authorized $75,000,000, issued and outstanding $50,000,000.

Seven per cent preferred stock; authorized $1,000,000, issued and outstanding $1,000,000.

Six per cent preferred stock; authorized $50,000,000, issued and outstanding $34,881,800. This includes 916 shares for $91,600 deposited for exchange of shares of the Spanish River Pulp and Paper Mills.

Common stock of no par value; authorized 1,500,000 shares, issued and outstanding 1,088,117 shares. This includes 1,918 shares deposited for exchange of shares of subsidiary companies.

Since 1925 the company has not given any figures of its sales or total volume of business. The 1925 figure would give no clue as to the present volume of business as the report for that year did not include the figures for the various subsidiaries that are now consolidated.

Wright Flexible

I hold some shares of Wright Flexible Axle Motors. The company has asked me to put up some more money; apparently it is threatened with liquidation if shareholders do not respond. What would you advise?

Wright Flexible Axle Motors has made little progress in recent years. The company has not succeeded in producing its automobile on a commercial basis as yet, while, in viewing the future, it is well to remember that it is in competition with some of the largest corporations in the United States. Demands have been made on shareholders, from time to time, to put up more money; as yet, any proceeds of funds as obtained have been nonproductive. From an investment angle, there is nothing favorable that can be said regarding the company's securities. It would seem far more advisable to invest any additional funds in a dividend paying stock of a sound company rather than increase your commitment in this concern.

Dominion Bridge

As a reader of The Financial Post, I would like your advice regarding Dominion Bridge Co. Has this firm been hard hit by the depression and is the outlook relatively favorable?

Dominion Bridge Co., through the national aspect of its activity, has naturally felt the depression in construction throughout Canada. Earnings during the current year are likely to show a decline though the company's strong financial position at the end of its last fiscal period was encouraging. At October 31, 1930, cash, call loans, and bonds totalled over $5,000,000 and working capital was nearly $9,000,000, while the immediate future is dependent upon an improvement in constructional activity. A substantial bridge building programme in Quebec is contemplated, while steel work for the new Canadian National terminals in Montreal should provide the company with some good contracts within the next year or two.

Canadian Car

In what light would you consider the common stock of Canadian Car and Foundry Co.? I am making some commitments at the present time and thought I might include this stock in my portfolio.

Though business of Canadian Car and Foundry Co. during the current year is on a substantially lower scale than in 1930, W. W. Butler, president of the company, has said that he sees no reason why the company should not be able to continue to pay dividends, unless some unforeseen contingency should arise. Owing to conditions in Western Canada, it appears likely that railway companies will restrict their commitments for new equipment for some time when they eventually return to the market Canadian Car should benefit accordingly. In the meantime, the company occupies a strong financial position, though the high yield on the common shares, over 14 per cent, indicates that investors do not see much encouragement in the immediate future.

Diatomite Products

A customer of ours is purchasing stock in Diatomite Products Ltd. at $1.75 per share and has apparently been told the usual story that the price will advance to $2 shortly and will reach about $5 in October.

Have you any information regarding the Diatomite Co.?

Diatomite Products is a new industry in Ontario. We believe the company is making an earnest effort to produce diatomite, an insulator, filter and filler used in many products. It has a very capable man in charge of operations and is just now ready to start its small plant near Huntsville.

While the enterprise may be a worthy one, we cannot foresee or arrive at any conclusion regarding its possible earnings. It is not an investment but a speculation in an enterprise that has yet to prove that it can compete with foreign competition. The main obstacle that we see in this company making a success is its very limited market. A study of the imports of diatomite does not reveal that there is a very extensive market. Officials of the company, however, claim the use of the product is expanding. All of this has yet to be demonstrated.

Harris Abattoir

I should be glad to know if you consider the 6 per cent 1st mort. 1947 bonds of the Harris Abattoir Company an attractive investment for a business man.

No separate financial statement of Harris Abattoir is published and the profit and loss account of Canada Packers, the parent company, does not show the amount by which interest payment on the Harris Abattoir bonds is protected. The fact, however, that a net profit of over $800,000 was shown by Canada Packers after all interest, depreciation and operating charges in 1931 and $1,550,000 in 1930 indicates that the Harris Abattoir bond interest is well covered.

Canada Packers is making excellent progress under its present management, and we know of no reason why it should not continue to improve its earnings and strengthen its position. It should have little difficulty in fully covering interest on these bonds.

National L. & P.

I hold a $500 6 p.c. bond of National Light & Power Co. and a $500 7 per cent bond of Royal Exchange Building. What is the situation as regards these securities?

National Light and Power 6's are well secured and the operations of the company are considered as satisfactory in view of current conditions. The company is also extending its field of operations through the acquisition of public utilities in Brandon, Manitoba. The 6 per cent bonds of Royal Exchange Building, Winnipeg, are currently quoted 92 bid, 96 asked, which indicates that they are in a fairly strong position. Sinking fund payments have been kept up and bond interest payments to date have been covered by a satisfactory margin. The building is under lease to 1939 to the Wheat Pool, but it is believed that recent changes in the latter organization will not affect the lease. If there was any considerable doubt as to this point it is possible that the prices of the bonds would be well under current quotations.

Dominion Bonds

I am going to live in England and hold some Dominion of Canada refunding loan bonds, due 1943. I would like to keep these until maturity. Is it possible to have the interest made payable in England?

The Dominion of Canada Refunding Loan due 1943 is payable only in Canadian funds. Apparently you hold a fully registered bond and in moving to England it would only be necessary to have your address changed on the Dominion records. Payment, however, would still be in Canadian funds, and if there were any difference in exchange between the Canadian dollar and the pound sterling you would either benefit or lose by it.

North British Royalty

Please let us have your opinion on the advisability of a middle-aged client, with moderate means, investing a few hundred dollars in North British Royalty Trust Shares, Series A.

We, of course, realize there is considerable speculation in an investment of this kind but do you think there is a fair chance of our client making some money by taking a chance on say 50 shares, or would you advise him holding on to his $500.

As you suggest there is a considerable degree of speculation in the purchase of oil royalties and we would not recommend purchase of any oil royalty by any investor who is not aware of the highly speculative nature of this type of investment and who is not prepared to risk at least a greater part of the money which he has to invest in this type of security.

Your client has $500 to invest and we would suggest that he would be far better off in the long run if he were to invest his funds in some company regarding which full information is available.

North British Royalty Trust shares—Series A—do not appear to us to be superior in any way to other oil royalty propositions which have been floated in the past. There is nothing in the prospectus describing these shares that would warrant a middle-aged investor of moderate means such as your client in investing his funds in this trust. While a high return on the funds invested is suggested, it is not, of course, assured and it must be considered that there is usually a high rate of depreciation on oil royalties. It is not likely that there would be a re-sale market worthy of the name for shares of North British Royalty Trust.

Depend on Future

I am enclosing a list of my holdings which at the present time show me a loss of $2,000. Do you think that there are any hopes of these stocks coming back to par? My list is as follows:

- 5 shs. Canada Paving, preferred.
- 5 shs. A. J. Freiman, preferred.
- 5 shs. Dufferin Paving, preferred.
- 5 shs. B. C. Packers, preferred.
- 15 shs. Canadian Investors Corp., common.
- 5 shs. Prairie Cities Oil, common.
- 5 shs. International Nickel.

None of the stocks on your list have a wide market with the exception of International Nickel. The preferred stock of Canada Paving & Supply Corp., British Columbia Packers and the common stock of Prairie Cities' Oil are the weakest of your holdings, while the other stocks have all felt the effects of the current depression. A. J. Freiman Limited has maintained its position and sales are reported to show an increase of some 5 per cent although it is possible that profits have dropped somewhat during the current year. Liquid position is satisfactory and the company has continued to set aside funds for the redemption of its preferred stock. Dufferin Paving has felt the effects of decreased building activities, but has maintained a strong financial position and preferred dividends would not appear to be in doubt at the present time. Canadian Investors Corp., in common with practically all other investment trusts, has suffered a substantial depreciation on investment during the past two years but to date revenue from investments has been slightly more than sufficient to cover dividends of $1 per share per year. With any upturn in the stock market this trust should show a substantial improvement in its holdings.

Canada Paving has suffered a substantial reduction in its building supply business, but has secured a certain amount of road work. The current position of the company is reported as fair, but in view of business conditions it would not be surprising if the dividend on the first preferred stock was passed temporarily. There is practically no market at present for this stock, which is listed on the Toronto Curb. The asked price is currently about 20 with no bid. British Columbia Packers Limited is in a far from strong position, the last balance sheet as at February 28, 1931, showing a very weak liquid position. In the year ended on that date the company had a deficit of $1,474,888 after payment of $207,669 dividends on preferred stock. There is little market for this stock but there is some hope that the Australian treaty recently passed in the House will aid the company, giving it a preferred position in the Australian market. Prairie Cities' Oil Co. looks as though it might weather the storm although for a time its position was in doubt. Collections are understood to be up some 35 per cent and sales have shown a very slight increase. The company operates entirely in Western Canada and has been hard hit by conditions prevailing in that section. The stock is selling at such a low point at the present time that there would seem to be no point in selling it, but rather it should be held purely as a speculation.

While you purchased International Nickel considerably above the present market there is no reason to believe that this stock will not again attain the price you paid for it and better during the next few years.

Stocks for Next Market

Will you please send the names of ten stocks which you think will be the market leaders in the future?

We never select stocks for subscribers. The selection of investments necessitates a more intimate knowledge of the position of each investor individually than we can obtain by correspondence.

We are publishing at the present time a series of articles on stocks that offer some possibilities of being market leaders in the next period of improving prices. We do not forecast definitely that these stocks will occupy such positions, but to each of them we have applied certain tests and we are presenting the information quite without prejudice, leaving it to our readers to use their own judgment in selecting any securities that may promise to serve their purposes.

International Utilities

I am writing you for some information regarding International Utilities. I am a holder of some class "A" Stock and have received a circular letter from them giving me the right as a shareholder of this stock to convert shares now held into two shares of "1.75 preferred stock series 1931." I would be glad to have your opinion as to whether or not you consider it advisable to exchange this stock.

It seems to us that there are a great many additional facts that might be given to shareholders of International Utilities Corporation to aid them in making up their minds as to whether or not they should exchange their stock for the new issues that are offered to them. The company might present a more detailed account of the enlarged operations it proposes to conduct. Failing the supply of additional information we do not see any particular attraction in converting Class "A" stock into the new preferred with the bonus that is offered with the Class "B" stock. At the present time you get a fixed dividend of $3.50 a share. This would not change. In addition, at the present time, you have participating rates which set the limit of your dividend at $5 a share. Under the new scheme your only chance of participating in extra profits would be through the dividends you might receive on the small bonus on Class "B" stock. The new plan reduces the redemption price of your Class "A" stock from $60 to $52.50. We would not be surprised if any Class "A" stock that is not converted is later redeemed at $60 a share.

Unless the company can make its arguments more convincing we would see little advantage in the exchange.

Title Guarantee

Please give me some information on the certificates issued by Title Guarantee and Trust Co. What happens to these certificates if the company fails?

A first mortgage certificate offered by the Title Guarantee and Trust to the public are shares in specific first mortgages covering property in the City of Montreal and suburbs. In addition to the mortgage, the certificates are guaranteed as to capital and interest by the corporation. In the event of the company failing, your certificates remain a first mortgage on the specific properties against which they are issued; in the event of failure of the mortgagee to meet interest payments, the guarantee of the company comes into play. This guarantee is naturally only as strong as the company itself, a situation which has not been disclosed since the company does not publish a financial statement. Full particulars of the first mortgage certificates may be obtained from the company itself.

Buying Through Bank

Would you kindly outline for me the proper way to buy and sell stocks through a bank?

Having funds from time to time for investment and wishing to buy a few of the best class of common stocks as advised through your valuable paper—but wishing to avoid placing any money in the hands of brokers until the stock certificates are handed over to the bank and then for cash only, I thought you would be able to advise me in this matter.

My reason for this is that the brokers whom I trusted have declared themselves bankrupt. I had bought from them $3,000 worth of Imperial Oil, Steel of Canada and Ford, and had this all paid for but $548. I have lost my savings and the stock which was being paid for by the month under special arrangement with them. It would appear that one must take every precaution to avoid loss through dealing with brokers. Therefore to make no mistake with any of them I wish to find some way of never trusting any of them with money again.

We sympathize with you in your unfortunate experience with your firm of stock brokers. There are many sound and financially strong stock brokerage houses in Canada with whom you could deal with complete confidence. However, if you wish to avoid placing any money at all in the hands of stock brokers it is not difficult to arrange this.

All you have to do is to place your buying orders with the stock broker whom you select, who should be a member of a recognized stock exchange, and ask him to have your certificates delivered to your bank with draft attached. The draft will have to be paid when presented by your bank to you. You can have the certificates registered in your name or delivered in the form of certificates endorsed in blank. In either case, the certificates will be handed over to you when you have paid the account through the bank.

You have apparently been purchasing securities on the installment plan. This is a little more difficult to arrange through the bank. You would have to arrange with your manager to loan you the unpaid balance on the securities over and above the initial margin or payment you are in a position to put up. The banker would take your securities as collateral and would probably be glad to make an arrangement for you to pay up the balance in installments over a reasonably short period. The bank would insist, of course, that the initial payment on your stock would be sufficient to provide ample margin against a possible decline and you would be required also to maintain a similar margin at all times.

We would suggest you discuss this whole matter with your bank manager.

Canada Steamship

What is the current outlook for Canada Steamship Lines. Have earnings improved and will bond interest be paid in the future?

While there was a slight improvement in Canada Steamship Lines' position in the early months of the year, progress is still hampered by the abnormally slow movement of grain from the Great Lakes. This constitutes the company's main source of revenue and until some improvement is shown, little can be expected in the way of earnings. Interest charges, after depreciation, were not covered last year; it is doubtful whether there will be an appreciable change during the current year. A yield of 12 per cent on the 6 per cent bonds indicates that investors have some doubt regarding the maintenance of interest payments. This, however, is a question which can only be answered by the management and, as far as we know, has not yet come up for consideration.

Richland Gold

Please advise me as to the holdings of Richland Gold Mines Ltd. Who are the officers of this company and is the stock listed?

The chief property of Richland Gold Mines Ltd. is reported as being 1,000 acres in Black township in the Kirkland Lake area of Ontario. Some diamond drilling has been done on this property but with inconclusive results. The company's activities have principally been confined to financing which has been undertaken in New York. Attempts to finance in Canada apparently were unsuccessful. We are not aware of the shares of the company being listed on any exchange or having any market. The authorized capital consists of 4,000,000 shares of no par value common stock.

W. T. Solmes, of Smith Falls, Ontario, is president of the company.

We understand that stock of the company is being offered with a guarantee of return of principal after a period of twenty years. This entails the setting aside of almost 30 per cent of the selling price of the stock, which when compounded over a period of 20 years would at that time amount to the price originally paid for the shares. After setting aside this sinking fund, paying commissions and the cost of bonding there would not remain a great amount for developments of property owned by the company.

Mining Enquiries

Mining questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers. A three-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write general investment and insurance enquiries on sheets separate from mining enquiries. No answers can be given by telephone or telegram.

Siscoe Gold

Please give me your opinion of Siscoe Gold Mine.

Siscoe Gold Mines has been operating for about 2½ years with a steadily increasing production. In April, last, the production amounted to $65,798, which established a new record. Early this year the mill capacity was increased from 100 to 150 tons capacity.

N. A. Timmins and associates thought enough of the property to make heavy investments that milling capacity could be increased. The uncertainty of the property lies in its ore reserves. Being a young producer it has not had sufficient time to prove up the quantity of ore which would enable one to form some opinion as to its potentialities. The company could be summed up as a young producer that has been making favorable progress.

Abana

I am considering the purchase of several thousand shares of Abana as a speculation. Would you advise such a purchase?

Abana Mines holds little attraction at the present time as an investment.

Inasmuch as Abana has no assets at the present time, and the deed to its property is in the hands of Mining Corp. for loans made, we believe you would be best advised to defer any commitments until such time as its financial entanglements are cleared, if ever.

Mabell Mines

Please advise me of any particulars regarding Mabell mines. What is the market price at the present time?

Mabell Mines Ltd. was incorporated with an Ontario charter in 1927. Its principal property consists of a group of claims in South Clericy township, northwestern Quebec. Here three mineralized zones approximately 1,000 ft. apart have been discovered and are currently being explored. Mineralization in the zone showed pyrite with pyrrhotite and chalcopyrite, also some lead and zinc in places of gold and silver. Owing to the complex nature of the ore and the current prices for base metals little attraction is added to exploration of minerals of this nature. Apparently a commendable effort is being made to prove up the company's property, but as yet it is still in the prospect stage.

The authorized capitalization is $5,000,000 in $1 par value shares, of which approximately 3,500,000 shares have been issued. The company reports as having sufficient funds to carry out its present programme.

Mabell shares are not listed on any exchange, and, therefore, there is no established market price for the stock, neither have we noticed any over-the-counter sales in recent months.

Tri-Metal Mines

Please give me any available details of Tri-Metal Mines. Is the stock listed?

Tri-Metal Mines was a company incorporated with a Nova Scotia charter with the idea of rehabilitating some Nova Scotia mines. Later some old lead-zinc properties were secured in the Western United States with the idea of putting them on a production basis. The company never got very far but listed its shares on the Standard Stock and Mining Exchange. Recently, however, they were delisted.

There was considerable activity in selling the stock around Boston, and in Quebec. As far as we can learn, the promotors were more interested in selling stock than in making the investment profitable for the shareholder.

George Gold-Copper

I would be very pleased to have your opinion on George copper as a speculation for a long hold.

I am informed that Consolidated Smelters holds over 90 per cent of the stock. Has any worth-while amount of ore definitely been proven to exist?

George Gold-Copper Mining Co. is controlled by the Consolidated Mining & Smelting Co., which owns 1,390,000 of the 1,500,000 $1 par value shares authorized and outstanding.

The property is under development by Consolidated Smelters, but no work was done in 1930. Previous development work indicated that the property had possibilities, but a great deal more work will have to be done to prove up its potentialities. An important factor with the development of George Gold-Copper and other copper prospects on the Pacific Coast is the question of construction of a smelter to treat the ore from properties in that area. The Consolidated Smelters have had such a smelter in mind for some time, but until there is definite knowledge of the amount of ore available and improved prices there is little incentive to proceed with such an expenditure.

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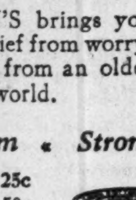

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Undervalued

Despite depression, savings deposits in Canada have increased over $50,000,000 since last summer.

Reviving confidence will presently set in motion this great reserve of latent buying power, seeking larger yields than are offered by government bonds.

As competitive buying should presently eliminate many of the bargains now available in sound corporation securities, we have prepared a list of such securities which we consider undervalued by the market.

Ask for List 11

Greenshields & Co
Investment Bankers
Members Montreal Stock Exchange
505 Place d'Armes, Montreal
OTTAWA TORONTO QUEBEC
131

PENMANS LIMITED
General Offices: Paris, Ontario
Manufacturers of High-Grade
KNITTED UNDERWEAR, HOSIERY, and OUTERWEAR
Mills at: Paris, Brantford, London, Waterford, Ontario; Coaticook and St. Hyacinthe, Quebec

Selling Agents to the Wholesale Trade:
John Gordon & Son, Limited, Montreal and Toronto.
To the Retail Trade:
Montreal, Quebec, Toronto, Ottawa, London, Hamilton, Halifax, Saint John, N.B.
Agents:
Bryce Sales Limited, Calgary, Winnipeg and Vancouver.
Export Representatives:
Great Britain and Ireland: Liddell & Mitchell, Glasgow, Scotland.
Taylor & Shelmerdine, Manchester, Eng.
W. J. Cutcliffe, London, Eng.
A. Lowry, Belfast, Ireland.
Australia: Hugh Scott Young, Melbourne.
New Zealand: H. W. Airey, Ltd., Auckland, Dunedin, Wellington.
South Africa: L. C. Carrick, Johannesburg.
Newfoundland: S. Elliott & Co., St. John's.
British West Indies: Wilson & Johnstone Ltd., Port-of-Spain, Trinidad.
Lester W. Huddle, Kingston, Jamaica.
China and Japan: Messrs. Horn & Nobbins, Shanghai, China.

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Canadian Pulp and Paper Industry

LAWRENCE PAPER RESUMES OUTPUT AT THREE RIVERS

Mill on Full Time After One Week Shut-Down

From Our Own Correspondent

MONTREAL.—Plant activities of St. Lawrence Paper Mills, suspended for a week to permit machinery repairs, have been resumed on full time. The unit, comprising a six-machine balanced newsprint mill, is located at Three Rivers and has a daily capacity of approximately 500 tons of newsprint.

While the entire output of the mill in 1928 was sold under contract, another contract operative for ten years beginning 1929, calls for the sale of 45,000 tons of newsprint a year.

Closes Fiscal Year

St. Lawrence Paper Mills closed its fiscal year on June 30 and though no figures on earnings have been released, some reduction in profit may be anticipated as a result of the cut in newsprint prices. Net earnings in the year ended June 30, 1930, were $1,389,496.

This figure included all manufacturing expenses, including depletion and income tax, but was before provision for depreciation. After deduction of $412,718 on account of the latter charge, there remained a net profit of $976,778, as compared with preferred dividend requirements of $855,000. This was the equivalent of $6.85 a share on the 6 per cent preferred stock.

Dividends Were Passed

Due to the unsettled outlook for the industry in the immediate future, however, the company deferred dividend payments due July, 1931, though satisfactory results for the first five months of 1931 were recorded.

At the same time, dividends on the stock of Brompton Pulp and Paper Co., another component of the St. Lawrence Corp. were deferred, while payments on the "A" stock of St. Lawrence Corp., the holding company, were also omitted.

Made Fair Showing

St. Lawrence Corp., formed early in 1930 as a consolidation of St. Lawrence Paper Mills, Lake St. John Power and Paper Co. and Brompton Pulp and Paper Co., made a fair showing in 1930 in view of existing conditions.

After all deductions, including bond interest and preferred dividends of subsidiary companies, there remained a net profit of $174,986. Dividends on the class "A" stock of St. Lawrence Corp. claimed $377,782, leaving a deficit of $202,796.

Seek to Aid Canning

An appeal to some 4,000 retail merchants throughout the Province of Alberta has been circulated by the Calgary office of the Retail Merchants' Association of Canada on behalf of the canning industry. Shopkeepers are asked whenever possible to carry lines of canned vegetables made in Alberta.

Pulp and Paper Exports Continue Steady Decline

June Figures Off—Exports for Half Year Reflect Sharp Reduction in Value of Commodities

From Our Own Correspondent

MONTREAL. — Canadian exports of pulp and paper in June were valued at $12,635,490, a decrease of $150,624 from the previous month, and a drop of $2,228,233 from the value of June last year. Paper exports were valued at $10,393,942 as compared with $11,654,859 in June, 1930, and $10,357,869 in May 1931, while wood pulp exports were valued at $2,241,548, a decrease of $967,316, as compared with June 1930.

Exports of bleached sulphite pulp constituted the only increase amounting to 21,013 tons as compared with 19,726 tons in June, 1930. Values, however, declined by $149,042. All other exports of pulp and paper showed a decline in production and value as compared with the same month last year.

Newsprint Exports Decline

Newsprint exports totalled 189,739 tons, valued at $10,069,585 as compared with 194,322 tons having a value of $11,209,856 in June last year. Exports of book paper totalled 2,648 tons against 3,667 tons and wrapping paper exports fell from 1,103 tons to 830 tons.

Exports of mechanical pulp were 8,589 tons, valued at $234,925. This compares with 12,867 tons in June last year, having a value of $367,839. Unbleached sulphite was off by about 6,500 tons at 10,259 tons, while values declined from $857,934 to $428,256.

Sulphate pulp totalling 3,149 tons was exported in June as compared with 6,617 tons last year, while values declined by $180,000 to $204,707. Screenings of 1,170 tons, valued at $19,853 compared with 2,136 tons valued at $41,219 in June, 1930.

Half Year Reflects Conditions

Figures covering pulp and paper exports from Canada during the first six months of 1931 clearly show the extent to which the industry has been affected by business conditions and lower prices. Values dropped from $91,508,567 in the first half of 1930, to $73,423,829 in the first six months of 1931.

While production in all divisions, with the exception of sulphate pulp, has declined, lower prices have brought about a still further drop in values. Production of sulphate amounted to 54,386 tons in the first half of this year, which was higher by about 4,000 tons; but despite this, values dropped almost $1,000,000 to $1,993,246.

Pulpwood Exports Off

Pulpwood exports also showed a heavy decline up to June 30 of this year, amounting to 395,400 cords valued at $3,688,616, as compared with 633,443 cords valued at $6,166,167 in the corresponding period of last year.

The lower demand for newsprint in the United States is reflected in the half-yearly figures. In that time exports of newsprint amounted to 1,025,674 tons, valued at $56,334.22 as compared with 1,167,604 tons, valued at $67,307,963.

Six Months Comparison

Following is a comparison of export values in the first six months of 1931 and 1930.

	1931	1930
	$	$
Pulp—		
Mechanical	2,087,419	2,681,195
Sulphite Bld.	7,745,816	10,094,863
Sulphite Unbld.	2,962,328	5,267,905
Sulphate	1,993,246	2,936,302
All other	246,625	343,445
	15,035,434	21,323,710
Paper—		
Newsprint	56,334,222	67,307,963
Wrapping	514,791	787,325
Book (cwts.)	110,739	198,761
Writing (cwts.)	12,003	17,080
All other	1,416,640	1,873,728
	58,388,395	70,184,857

Price Bros. Close Mill at Riverbend for Month

From Our Own Correspondent

MONTREAL.—Lower demand for newsprint and consequent shortage of orders has necessitated the closure of the Riverbend mill of Price Brothers and Co. for three or four weeks. It is stated that most of the employees will be transferred to the Kenogami mill so that the existing unemployment situation will not be aggravated.

The Riverbend mill is the most recent addition to the Price newsprint plant. Built in 1925, it was enlarged in 1926 and in the early part of 1929 capacity was doubled, bringing output to 480 tons daily. This compares with a daily capacity of 550 tons at the Kenogami unit.

Bates Valve Bag Unit Adopted by Flour Mill

From Our Own Correspondent

MONTREAL.—One Bates Valve Bag unit has been installed in the Midland mill of the Copeland Flour Mills. As installed at Midland, the system employs paper bags in place of cotton or jute for the standard weight of 98 pounds. The bags are made in the patented form and are filled and weighed by automatic machines.

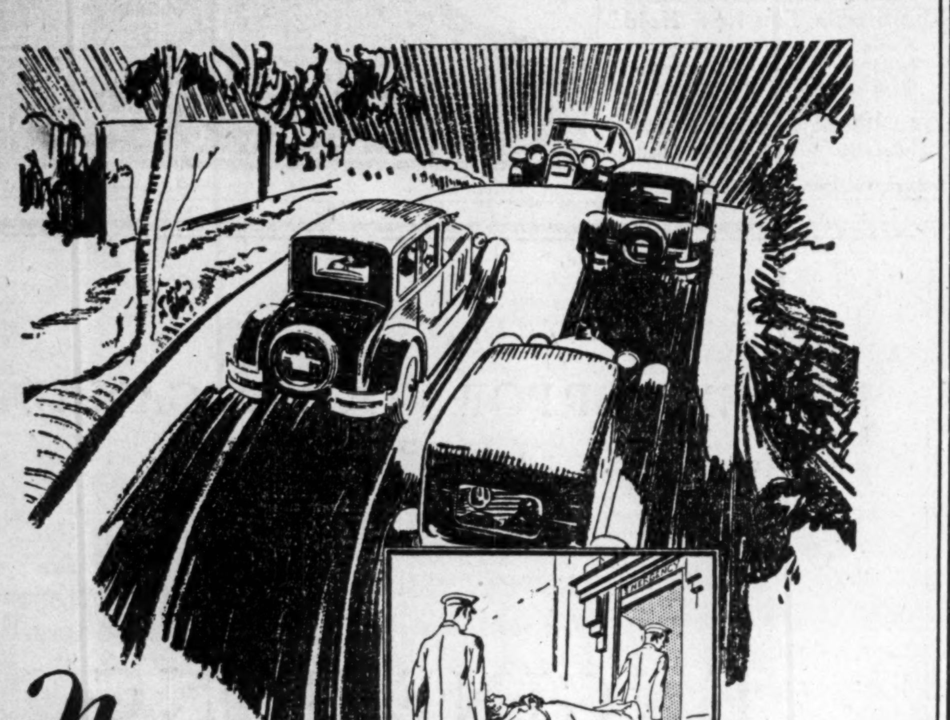
Bates Valve Bag Co. in which International Paper and Power Co. is largely interested, owns two factories in Canada for the manufacture of this type of bag, one at Three Rivers, P.Q. and the other at Dryden, Ont. The use of this equipment is a new departure in Canadian milling circles and its success may result in greatly increased use of paper bags.

Robert Gair Interested in Mar. Paper Products

From Our Own Correspondent

MONTREAL. — Robert Gair Co., through the election of E. Victor Donaldson, president of the company, to the board of directors of Maritime Paper Products of Halifax has extended its activities to Canada and holds a substantial interest in the Halifax concern.

Maritime Paper Products, which was organized recently for the manufacture and sale of corrugated paper boxes and containers, recently commenced operations at Halifax.



Never..

pass a car on a hill...or curve

Experienced drivers of motor cars have learned that there is one rule of the road which cannot be violated without danger to life and limb . . . these seasoned drivers always keep in line when the road ahead is obscured.

Hill tops and curves are blind spots on the highway. You can't see what is coming toward you . . . and there's almost always sure to be another car coming around the curve or over the hill. The one safe rule is to stay on *your* side of the road . . . the *right* side.

Every time you take a chance that the road ahead may be clear, you jeopardize your own safety and the approaching motorist may be made an innocent victim of your carelessness . . . surely a heavy price to pay in conscience and cash.

After all you can observe the "Hill and Curve rule" for a whole season without losing as much as sixty minutes' time all told . . . Why not?

ONTARIO DEPARTMENT *of* HIGHWAYS

GEO. S. HENRY, PREMIER OF ONTARIO AND MINISTER OF HIGHWAYS

F1

FINE PAPER CUTS MAY STIMULATE PLANT ACTIVITY

Reduced Prices Conform With Lower Pulp Values

From Our Own Correspondent

MONTREAL. — Following the trend of lower prices for all grades of pulp, manufacturers of fine paper have effected a reduction in prices covering a wide range of products. Rolland Paper Co. have confined their cuts largely to medium grades while Howard Smith Paper Mills has also announced reductions in prices for sulphite bonds and lower grade papers.

Wholesalers will immediately readjust their lists and the result may give some stimulus to the fine paper trade which has been experiencing a more than seasonal slackness for the past two months.

Hand-to-Mouth Buying

There has been a general expectancy that fine paper makers would lower their prices as pulp values have been showing a steady decline. Buyers accordingly have been unwilling to make large commitments and the hesitancy has found reflection in manufacturing operations. The drop in prices should loosen things up in the fine paper field and tend to cut down the hand-to-mouth buying which has been prevalent.

Coarse Paper Adjusted

The coarse paper makers adjusted their prices downward some time ago and no re-arrangement of quotations is looked for in this quarter at the present time. The coarse paper market is reported as unsatisfactory and sales by the mills and distributors have been light.

While the fine paper industry was slightly slower to reflect business conditions as compared with its over-expanded contemporary the newsprint industry, the slowing up in all lines of business has had its effect for some time past. Sales of book, coated stock, ledger and bonds are sharply affected by any hesitancy in financial activity.

The new Australian treaty offers some possibilities to manufacturers active in that field. Under the provision of the treaty, cover paper and board obtain the benefits of the British preferential tariff, a situation which has not prevailed heretofore though other products have come under that category. Manufacturers state that it is yet too early to make any prophecies as to what business may develop from this source.

PACIFIC MILLS NEEDS COVERED FOR 16 MONTHS

Earned $5.94 a Share on Common in Period

From Our Own Correspondent

MONTREAL.—Net profits of Pacific Mills, Ltd., operating pulp and paper plants at Vancouver and Ocean Falls, B.C., were $625,267 in the sixteen months' period ended April 30, 1931. This compares with $356,563 in the calendar year of 1930.

Operating profits totalled $2,382,798. After provision for all charges, including preferred dividends, there remained $445,510 applicable to the 75,000 common shares of $100 par value outstanding. This was the equivalent of $5.94 a share.

Profit and Loss Figures

Following is the profit and loss account for the sixteen months' period ended April 30, 1931.

	$
Operating profit	2,382,798
Less:	
Depreciation	1,266,787
Depletion	19,500
Bond interest	323,203
Income tax	148,040
Net profit	625,268
Less:	
Preferred divds.	179,757
Surplus for year	445,511
Add prev.-surplus	†5,741,489
Balance forward	6,187,000

†Adjusted.

Strong Working Capital

At the end of the last fiscal year current assets totalled $3,246,938 as compared with current liabilities of $515,852, leaving a net working capital of $2,731,086.

Current assets included cash at $268,189; receivables at $1,329,609 and inventories, at cost or market, whichever was the lower, of $1,649,139. Accounts payable totalled $332,879, bond interest accrued was $63,125 and provision for taxes was $119,837.

Spent Large Sums

During the year the company spent $580,389 on additions and improvements to properties which are carried at $25,760,092, less depreciation of $8,749,846. Reserve for depletion of timber limits is $370,289, leaving ten capital assets at $16,639,955.

During the year bonds amounting to $365,800 were redeemed, reducing the funded debt to $3,867,200. In addition to this there are 19,989, 6 per cent cumulative preferred shares of $100 par value and 75,000 common shares of the same par value issued.

Pacific Mills is a subsidiary of Crown-Zellerbach Corp., one of the largest newsprint producers in the United States. The subsidiary company is expanding its operations through erection of a paper specialties plant at Vancouver.

Dominion Bridge Given Contract in Vancouver

From Our Own Correspondent

MONTREAL.—Dominion Bridge Co. has been awarded a $162,000 contract in connection with a 300-foot span for the Second Narrows bridge, Vancouver. The old span, it will be remembered, was carried away when a steamer collided with it in September 1930.

Future business for the company is seen in the announcement that preliminary work on the Lachine-Caughnawaga bridge has been commenced. As far as can be ascertained no contracts for steel work have been let; indications are that Dominion Bridge will fabricate a substantial portion of the steel at its Lachine plant.

Humberstone Shoe Closes Good Year

Humberstone Shoe Co. is expected to show earnings, for the current fiscal year which ends on July 31, on approximately the same basis as in 1930 when $3.51 was earned on each of the 20,000 shares of no par value common stock outstanding. The annual report, which is expected some time during September, will show an improved working capital position with a ratio of current assets to current liabilities considerably in excess of the ratio of 4.50 to 1 shown at July 31, 1930.

Spring business is reported to have been more than satisfactory with the plant operating at full capacity. As previously reported, sales in the three months ended June 30 were the largest in the company's history and warranted an extension to the plant which is being undertaken at a cost of some $25,000. Current operations are on a somewhat reduced basis due to seasonal slackness. The company manufactures only children's shoes.

Dividend rate of $2 per share on the common stock, the only security that the company has outstanding, is reported to be amply covered. Indications point to a further increase in surplus despite capital expenditures.

BETTER TREND IN ADVERTISING SEEN IN REPORT

Continued Improvement Will Help Paper Tonnage

From Our Own Correspondent

MONTREAL. — Recent gains in newspaper advertising linage in the United States warrant present belief that gains over the 1930 record will be shown by the total during the fall, according to compilations made by Editor and Publisher.

The hesitant tendency noted in the main linage comparison was overcome in June, linage for which ran 9.9 per cent behind last year's record. This compares with the loss of 8.2 per cent for March, 12.6 per cent for April, 11.3 per cent for May and 11.1 per cent for the year to date.

Retail and general advertising each ran 7.7 per cent behind June, 1930, figures. In the case of retail, this loss was slightly greater than the average for the first six months, which was 6.3 per cent. On general linage, the loss ratio is equal to that of March and is considerably improved over the first half year loss of 12.7 per cent.

Automotive Improves

Automotive continues a markedly upward movement, its loss ratio of 16.7 per cent being the best for the year to date, and compares with losses of 41.6 per cent in March, 27.4 per cent in April, 22.4 per cent in May, and 30.1 per cent for the first six months.

Financial, on the other hand, made only a slight improvement in June over May, its loss of 34.8 per cent comparing with losses of 17.3 per cent for March, 35.8 per cent for April, 36.4 per cent for May, and 27.3 per cent for the year.

Total display advertising was 9.7 per cent behind the June, 1930, record, compared with 11.0 per cent for the first six months, 11.4 per cent for May, 12.7 per cent for April and 6.9 per cent for March.

Classified Setback

Classified had a slight setback in June, loss being 13.5 per cent, against 14.4 per cent in March, 12.7 per cent in April, 11.3 per cent in May and 12.8 per cent for the year.

If this improvement is experienced upon the hoped for plane, it should bring the year's loss against 1930 to well below 10 per cent, roughly near 5 per cent. This would leave 1931 far behind 1929, and between 5 and 10 per cent behind 1928. The present ratio of 1931 to 1928 shows the current year about 15 per cent behind, in automotive, financial, classified showing the major losses, general showing a gain of somewhat less than 4 per cent, and retail a loss of 12.3 from the 1928 figures.

ACCEPTANCE CO. SPEEDS BUSINESS FOR SIX MONTHS

Gain of 10 P. C. Shown Despite Automobile Decline

From Our Own Correspondent

MONTREAL.—Business written by Industrial Acceptance Corp. in the six months ended June 30, 1931, showed an increase of more than 10 per cent as compared with the corresponding period of 1930. This would indicate that the company is successfully increasing its volume of miscellaneous paper since automobile production, a field in which refinancing companies are exceptionally active, has shown a marked decline during the current year.

Total production of motor cars in Canada for the first six months of 1931 was 40 per cent lower than in 1930 and the indicated decrease in automobile installment financing for the period was approximately 30 per cent.

Miscellaneous Paper Gained

During 1930 the company's increasing diversification of business was revealed in the fact that miscellaneous paper handled had been increased to 38 per cent, as against 13.8 per cent at the end of 1929. During the year, however, there were added 221 new automobile dealer accounts, as compared with 513 new dealer accounts in miscellaneous business.

Early this year Industrial Acceptance Corp. announced the closing of an important contract with Canadian Westinghouse Co., whereby that company recommended to all its dealers the exclusive use of the facilities of the Industrial Acceptance. The contract is stated to be one of the largest of its kind ever closed in Canada, outside the automobile industry.

Proves Sound Policy

This policy of diversification, in addition to providing greater security for the business, finds further justification in the fact that the company has been able to increase its gross volume in a year when the automobile trade has declined.

The gross volume of business handled in 1930 was $12,600,914, as compared with $11,788,180 in the preceding twelve months.

Investigate China Manufacture

Interest is being evinced in the question of making china table ware in Canada, which is at present being imported to the value of about $4,500,000 annually. The raw materials which are essential for the making of this type of ware occur at various places in the Dominion.

HUNT'S EARNS $1.13 PER SHARE IN HALF YEAR

Liquid Position is Improved — Will Open Two New Stores

Hunt's Ltd. earned $1.13 per share on the combined total of 33,656 shares of A and B stock outstanding during the six months ended June 30 as against dividend requirements for the full year of $1.40, according to an official semi-annual statement just issued. Sales in the period showed some decrease as compared with the same period in 1930 which is accounted for in part by the fact that there were two less stores in operation in 1931. Net profits after increased depreciation reserve, but before taxes dropped to $38,257 from $43,869 in the first six months of 1930 when per share earnings were $1.30.

In the full year of 1930 per share earnings were $2.59 or just twice the amount earned in the first six months. On this basis Hunt's Ltd. earnings for 1931 would approximate $2.25 in the current year, sufficient to meet dividends, pay a bonus and add to surplus which has been increased steadily from year to year.

Working Capital Up

Working capital position has been materially improved during the first six months of 1931 with current assets up and liabilities down. Among the current asset items cash, call loans and Dominion of Canada bonds have been increased by about $10,000 since December 31, 1930. Thus, not only has the ratio of current assets to current liabilities been increased to 3.06 to 1, as compared with 2.17 to 1 at December 31, but the immediately liquid items have been increased. The working capital position as shown in the current statement is as follows:

	June 30 1931	Dec. 31 1930
	$	$
Current assets	187.327	174,191
Current liabilities	61,107	80,195
Working capital	126,221	93,996
Ratio	3.06—1	2.17—1

The company will shortly open two new stores in Toronto, which will bring the number operated up to 30. All of the present 28 stores are being gradually reconditioned and refitted, the dining room sections of the stores being panelled in walnut. Hunt's stores are chiefly located in Toronto, although stores are operated in Ottawa and Hamilton. In addition to candies and ice cream, cakes and pastries are sold; dining rooms are maintained in connection with the stores.

ALGOMA CONSOL. PLANS PROGRESS TO FINAL STAGE

Certificates Ready for Lake Superior Holding Company

From Our Own Correspondent

MONTREAL. — Application of Algoma Consolidated Corp. (the new holding company for Lake Superior and its affiliated organizations) for listing of shares on the Philadelphia Stock Exchange, has reached the stage where its acceptance is understood to have been recommended to the governors of the Exchange. It is also the intention of the Corporation to have the shares listed in Montreal.

In anticipation of this development, the Corporation Guarantee and Trust Co. of Philadelphia, is issuing a circular to holders of deposit receipts for stock of the Lake Superior Corp. deposited under agreement dated December 20. The circular states that this agreement has now become operative in accordance with its terms.

Share Certificates Ready

The necessary share certificates of Algoma Consolidated Corp. are available for issue and holders of deposit receipts are requested to lodge them for exchange into certificates of preferred and common stocks in the new holding company.

It will be recalled that by the terms of the agreement, recently finally ratified, deposit holders are entitled to receive certificates of Algoma Consolidated Corp. on the basis of one cumulative 7 per cent $5 preferred share and one common no par value share for each common share of Lake Superior Corp. deposited with the trust company, in respect of which such deposit receipts were issued.

B. C. Government Names Fruit Markets Head

From Our Own Correspondent

VANCOUVER. — Following up the recommendations of Sanford Evans, special investigator who made a close study of the fruit industry in British Columbia last year, the provincial Government has appointed J. A. Grant, former prairie markets commissioner, to take charge of a fruit bureau at Vernon, in the heart of the orchard district of the Okanagan.

The object of the Government in naming Mr. Grant and organizing the bureau is to stabilize market conditions by keeping both growers and buyers advised regarding crop conditions and market prospects. The Government has the written assurance of co-operative and independent fruit handling associations that will support the new policy, which is hoped to eliminate the ruinous price-cutting that in the past has depressed the fruit industry of the province.

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Sturgeon Falls, Ont. Smooth Rock Falls, Ont.
Espanola, Ont. Fort William, Ont.
Pine Falls, Manitoba
Daily Capacity 2200 Tons Newsprint
Groundwood Pulp News Sulphite Pulp
High Grade Bleached Sulphite Pulp

The
Canada Power & Paper
Corporation
Total Daily Capacity of Plants:
2,464 Tons of Newsprint
130 Tons Pure Kraft Paper
130 Tons Pure Sulphate Pulp
also producing
CARDBOARD, INSUL BOARD, WRAPPER and SULPHITE and GROUNDWOOD PULPS
SAW MILLS AT PEMBROKE, ONT., producing White Pine, Red Pine and Spruce Lumber Pickets, Laths, etc. — Annual Capacity of 25,000,000 F. B. M.
Successor and Operating Company of
Belgo-Canadian Paper Company Limited, Shawinigan Falls, Que.
St. Maurice Paper Company Limited, Cap de la Madeleine, Que.
Laurentide Company Limited, Grand'Mere, Que.
Laurentide-Ottawa Company Limited, Pembroke, Ont.
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Wayagamack Pulp and Paper Co. Ltd., Three Rivers, Que.
Anglo-Canadian Pulp and Paper Mills Limited, Quebec, P.Q.
Head Office:
MONTREAL, QUEBEC

SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

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LONDON—FINANCIAL, INDUSTRIAL CENTRE OF WEST. ONTARIO

LONDON CITY RANKS HIGH IN CULTURE

Fine Standards of Health and Civic Efficiency Noted

MANY HOME OWNERS

City Also Ranks as Centre for Educational Facilities of Western Ontario

The wholesomeness of London as a residential city is a crowning attribute.

Home loyalty by no means is confined to London, among the cities of the Dominion, but the verdict of its residents leaves no room for doubt as to their contentment in this beautifully-located, well-organized and well-administered city.

Visitors soon are impressed with the justice of all such claims. Due to the quality of its residents and their consistent prosperity over a long period of years, the city is thoroughly up-to-date in all such matters as sanitation and health. It has an unusual number of trees, justifying its description as "the Forest City." Parks are numerous and extensive. Streets are wide and there is a roominess about the entire city that stands the test of traffic requirements and convenience.

High Civic Standards

Homes are well constructed and always in good repair. Civic pride is evident in every direction, high standards up upheld by factory, office and owner. About the homes particularly, there is the appearance of fresh air and space, and if environment counts for much in the growth of the new generation, then London has reason for confidence.

The above statements, of course, are of chief interest to the inhabitants themselves. But they are of value, also, to industrialists who may be seeking a location for a plant. One of the most salutary characteristics of the present age is the general acceptance of the belief that employers have a responsibility for the housing and off-hours welfare of their employees. From this point of view London has nothing to lose by comparison with any municipality in America.

Many Home Owners

"Make Health Contagious," the modern health slogan, has been adopted in London. The city ranks among the first on the continent in its health records.

London is a city of beautiful homes, of which about 60 per cent are owned by their occupants. Some of them are among the finest and most luxurious in Canada, yet the same conveniences and advantages are available to all, large and small, on equal terms.

With a wholesome home life guaranteed, the influence next in importance in the cultural direction is usually considered to be the church. London has two cathedrals, St. Paul's (Anglican), and St. Peter's (Roman Catholic), and in all seventy-seven other churches of all denominations.

Education Centre

Through the exceptionally useful work being done by the University of Western Ontario, at London, the city is becoming known as one of the leading centres of education in the Dominion. The University draws considerably more students from Western Ontario than it can accommodate, and in recent years hundreds have been turned away. Regular academic courses have been augmented by extension, extra-mural and summer courses, with consistently large attendance. The management and faculty of the University are of a very high order, a fact which has substituted for the usual problem of securing students the one of securing accommodation.

The fact that a considerable majority of the students of the University are drawn from the surrounding district rather than from the city, indicates to what an extent the city has become the centre of education of Western Ontario. Its medical department's Institute of Public Health also renders a valuable service to nearly two hundred municipalities in Ontario.

The University's registered attendance was 1,386 in 1930-31.

Fine Public Schools

In the Municipal Year Book of the city occurs the following heading: "Education: A Ladder from Public School to University." London Board of Education administers twenty-three public schools, which are among the most progressive and efficient in the province. There are three well-staffed, modern collegiate institutes and a technical and commercial high school with a total enrolment of 2,670 in 1930. This latter school maintains a well organized placement department to assist students in securing suitable employment. Separate schools maintain the high standards found in the other departments of education.

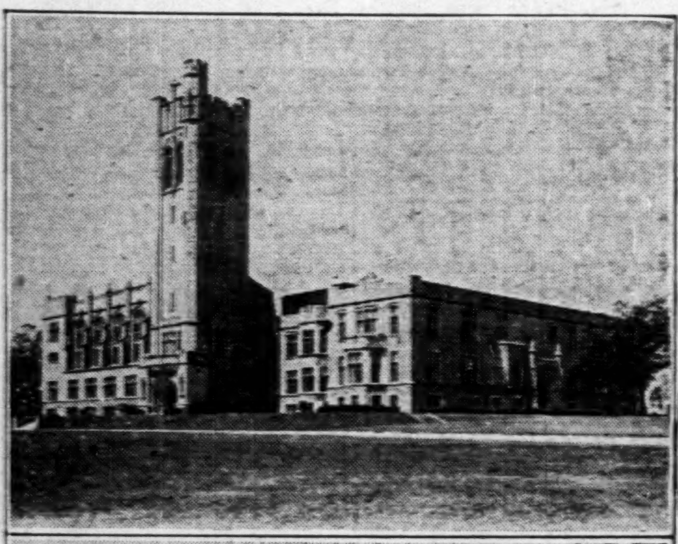
Other educational institutions in the city are the London Institute of Musical Art, which is affiliated with the Toronto Conservatory of Music; the Normal School, with a 1930 attendance of 216; the Westervelt School, the London Business Institute, and the Wells Academy.

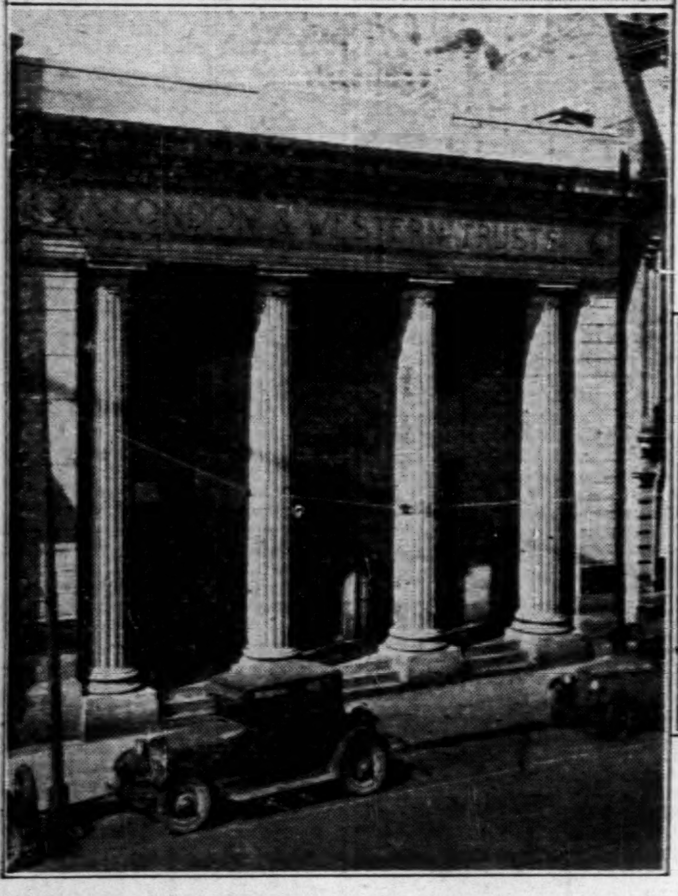
Three Public Libraries

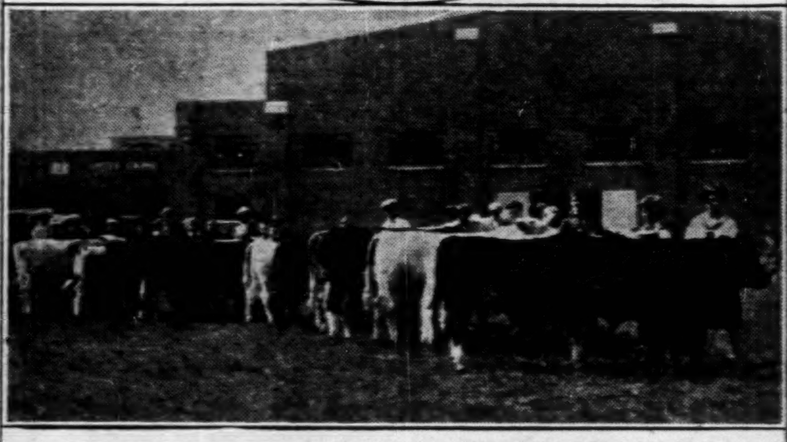
An efficient public library is maintained, having three branches to serve various districts. In 1930, 42.6 per cent of the city's population were members, as compared with 18 per cent in 1912. In the

(Continued on page 12)

Every Interest Represented in City of London's Diverse Life







Rising amid one of the most fruitful agricultural districts in Canada, London supplies every need of the community it serves. One of the foremost financial centres of Canada, at the same time it has developed a stable and substantial industrial life and possesses in addition many cultural attractions such as Western University, which ranks high among Canadian educational institutions.

The above layout shows: Top left—Main Arts Building, University of Western Ontario. Top centre—The main business section of the city. Top right—Beautiful McCormick plant of Canada Biscuit Co. Lower left—Head office of London & Western Trust Co. Lower centre—Junior calf feeding competition in front of new livestock arena, Western Fair. Lower right—Newly opened head office of Huron & Erie Mortgage Corp.

West. Ontario Hub Now Ranks Third As Finance Centre

Solid Financial Structure Built on Agricultural Foundation of Past Decades—Per Capita Wealth Greatest in Dominion

Development of the city of London to the point where it ranks third among the financial centres of the Dominion, has been a gradual, unspectacular process which has achieved without appearing to attempt. Progress may have been slow, but it has been sure, and there have been no reverses.

As the undisputed capital of Western Ontario, in finance, London's importance is the more striking because it ranks but tenth among the cities of Canada in population. It is not surprising, therefore, that London has the greatest per capita wealth in Canada, that the London district is the third largest in payment of income tax, and that London is exceeded by only two other Canadian cities in the number of its resident millionaires.

How this enviable record has been achieved is obvious. A district rich in natural resources was settled by hardy, thrifty pioneers. They succeeded, and they helped others to succeed. London grew with Western Ontario. After equipping itself to function as the market centre of the district,it developed the power to initiate and organize sturdy business enterprises for activities and service in still larger fields. Thus the trading centre of the pioneers, constructed upon the foundation of success they had won for themselves, now was in a position to reach out and build for others. The basis undoubtedly was agriculture; the result was a diversely organized business centre extending its influence over a growing Dominion and beyond it.

Stability is Key-Note

A stable and lofty financial structure now has been reared upon this firm agricultural foundation. The community is remarkably self-contained. There have been no booms and comparatively no hard times. Industries have become so diversified that an enviable stability is the result. National business now is augmenting in a very big way the earlier established district wealth, and in many departments of business is sufficiently stalwart to carry on quite independent of it.

Naturally enough, the multiplication of successes by small individual businesses offers an inducement and a field of operation for a greater, more complex financial development. Since early in its career London has been exceptionally well served in this direction. Strong local institutions sprang up, became robust and energetic on the increasing wealth of a prosperous community, secured a sure footing, prospered, and invaded more distant fields. It would be an imposing list that would tabulate the outstanding enterprises and buildings throughout Canada built by London capital.

Branch Offices Opened

Simultaneously with this development, a counter invasion took place. Financial and investment houses in other centres saw an attractive, productive field in prosperous Western Ontario, and the best of them, representing the established pillars of Canadian financial stability, soon paid tribute to the importance of its capital, London, by opening branches. They, too, have contributed greatly to London's progress and have prospered with it.

Institutions Widely Known

The evidence of London's financial development is found in the outstanding establishments born and nurtured here. Prominent among these institutions, whose head offices are in London, many of them known throughout the financial world, are two strong life insurance companies, five loan, savings and trust companies, and one widely-known fraternal organization. Most of these maintain branches in other centres; some of them being extensively represented throughout the Dominion. The organizations referred to are as follows:

London Life Insurance Company;
Northern Life Insurance Company of Canada;
Canadian Woodmen of the World;
Huron & Erie Mortgage Corporation (five local branches);
Ontario Loan and Debenture Company;
London and Western Trusts Company;
Canada Trust Company;
The Premier Trust Company.

The two insurance companies referred to have business in force in excess of $500,000,000, and assets of approximately $75,000,000. The combined assets of the trust and loan companies exceed $100,000,000.

As confidence is the undisputed basis of business relationships, the success of London's financial establishments was virtually guaranteed. They were managed by men of unquestioned ability and integrity, and

(Continued on page 14)

City of London's Success Due to Happy Union

Ideal Community of Interest Between Prosperous City and Country-side Key to Stability and Growth

The elements of which a desirable unity is composed are visible in Western Ontario. They are the elements which combine naturally to produce strength, and they have combined to produce the ideal community—a prosperous country-side and a prosperous city, interdependent.

The heart of this district undoubtedly is London—a population of 73,000 set in the centre of a district population of nearly 300,000. But if London is the heart, the whole of Western Ontario is none the less one organism, pulsating in unison and functioning in harmony. It is the general acceptance of this unity that has welded Western Ontario together into one community, taught others that it is a unit, and made London its dominating centre.

There is a double benefit in this situation—pooled resources and harmonious relationships. The community functions largely as a unit, and it does so without the petty rivalries sometimes outcropping elsewhere. In Western Ontario the out-crop is mutual understanding and sympathy. The citizens of London respond to the active goodwill of their tributary population with open acknowledgment of their dependence.

"We appreciate the fact that Western Ontario makes London," they say; "London does not make Western Ontario."

This, however, will bear qualification, for London has progressed into big figures sufficiently to have set up a large amount of broad national business dealing even though it rests upon the older, more local, foundation.

That the foundation is firm is due to this cement of mutual sympathy that holds city and country together. The citizen of London is close to the farm worker fifty miles distant, because their interests are mutual—and he knows it. This responsiveness is unity, and still more it is strength.

A sound basis of prosperity anywhere is agriculture. The superstructure reared upon it may be extensive and broad, composed of industries which have very little in common, but together they merge into the general industrial scheme and produce a colorful community with high standards of living, and a high sense of its obligation to the nation.

This diversity makes for stability, and it is the justifiable pride of Western Ontario and its commercial capital.

Statistical Highspots, 1930 City of London

Building permits	$2,744,735
Real estate transfers	$3,032,397
Street railway passengers	11,191,326
Births	1,541
Deaths	1,130
Marriages	615
Customs and excise revenue	$3,144,517
Bank clearings	$168,047,076
Assessment	$86,401,814
Taxes on roll	$3,420,088
Population	71,310
Pavement constructed	4 miles
Sewers constructed	.13 miles
Curbs and gutters constructed	2.68 miles
Sidewalks constructed	1.79 miles
Number of municipal electors	37,845
Number of houses	18,960
Per cent occupied by owners	51.5
Alien population	1,235
Apartment houses	76
Vacant lots	7,058
Occupied stores	892
Vacant stores	34
Vacant houses	591

London City Noted For Sound Growth Amid Rich Market

Stability and Balance Feature Development of Western Ontario "Capital"—City Has Never Had a Boom But Growth Has Been Constant

"Well-balanced" is the term which fits the city of London from the standpoint of the variety and utility of its industrial life.

As an area, Western Ontario, of which London is the centre, is practically self-contained. Its agriculture is mixed, its resources varied, and its industries diversified. It can scarcely be said that one branch of industry, or a single branch of agriculture, predominates over the others. This is both ballast and balance, and that the result is smooth-sailing for the economic area of Western Ontario is apparent to the most casual observer. It is claimed, and with justification, that the district of which London is centre and capital is the most densely populated part of Canada as well as the richest.

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FOOD, STEEL LEAD LONDON MANUFACTURES

Two Groups Alone Comprise 45 Per Cent of Total Production

DIVERSITY ALSO

Industrial Backbone of City is Supported by No Less Than 33 Different Groups

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The city's industrial backbone is of food and steel, for while the Dominion Bureau of Statistics lists iron and steel as the predominating classification, with more than twice as many employees as any other, when the industries are grouped, food emerges as the largest in point of value of products manufactured yearly.

Latest Government figures, published in tabulated form in this issue, show that food products employed nearly 16.62 per cent of London's workers in 1929, who turned out 25.8 per cent of the total industrial products. The iron and steel industries employed, in 1929, 27.2 per cent of the workers, while the products of their fabrication represented 18.5 per cent of the total.

Thirty-Three Groups

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SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

Vol. XXIV | 10c a Copy; $5.00 a Year | PUBLICATION OFFICE: TORONTO, AUGUST 1, 1931 | Member of Audit Bureau of Circulations | No. 31

LONDON—FINANCIAL, INDUSTRIAL CENTRE OF WEST. ONTARIO

LONDON CITY RANKS HIGH IN CULTURE

Fine Standards of Health and Civic Efficiency Noted

MANY HOME OWNERS

City Also Ranks as Centre for Educational Facilities of Western Ontario

The wholesomeness of London as a residential city is a crowning attribute.

Home loyalty by no means is confined to London, among the cities of the Dominion, but the verdict of its residents leaves no room for doubt as to their contentment in this beautifully-located, well-organized and well-administered city.

Visitors soon are impressed with the justice of all such claims. Due to the quality of its residents and their consistent prosperity over a long period of years, the city is thoroughly up-to-date in all such matters as sanitation and health. It has an unusual number of trees, justifying its description as "the Forest City." Parks are numerous and extensive. Streets are wide and there is a roominess about the entire city that stands the test of traffic requirements and convenience.

High Civic Standards

Homes are well constructed and always in good repair. Civic pride is evident in every direction, high standards up upheld by factory, office and owner. About the homes particularly, there is the appearance of fresh air and space, and if environment counts for much in the growth of the new generation, then London has reason for confidence.

The above statements, of course, are of chief interest to the inhabitants themselves. But they are of value, also, to industrialists who may be seeking a location for a plant. One of the most salutary characteristics of the present age is the general acceptance of the belief that employers have a responsibility for the housing and off-hours welfare of their employees. From this point of view London has nothing to lose by comparison with any municipality in America.

Many Home Owners

"*Make Health* Contagious," the *modern* health slogan, has been *adopted* in London. The city ranks among the first on the continent in its health records.

London is a city of beautiful homes, of which about 60 per cent are owned by their occupants. Some of them are among the finest and most luxurious in Canada, yet the same conveniences and advantages are available to all, large and small, on equal terms.

With a wholesome home life guaranteed, the influence next in importance in the cultural direction is usually considered to be the church. London has two cathedrals, St. Paul's (Anglican), and St. Peter's (Roman Catholic), and in all seventy-seven other churches of all denominations.

Education Centre

Through the exceptionally useful work being done by the University of Western Ontario, at London, the city is becoming known as one of the leading centres of education in the Dominion. The University draws considerably more students from Western Ontario than it can accommodate, and in recent years hundreds have been turned away. Regular academic courses have been augmented by extension, extra-mural and summer courses, with consistently large attendance. The management and faculty of the University are of a very high order, a fact which has substituted for the usual problem of securing students the one of securing accommodation.

The fact that a considerable majority of the students of the University are drawn from the surrounding district rather than from the city, indicates to what an extent the city has become the centre of education of Western Ontario. Its medical department's Institute of Public Health also renders a valuable service to nearly two hundred municipalities in Ontario.

The University's registered attendance was 1,386 in 1930-31.

Fine Public Schools

In the Municipal Year Book of the city occurs the following heading: "Education: A Ladder from Public School to University." London Board of Education administers twenty-three public schools, which are among the most progressive and efficient in the province. There are three well-staffed, modern collegiate institutes and a technical and commercial high school with a total enrolment of 2,670 in 1930. This latter school maintains a well organized placement department to assist students in securing suitable employment. Separate schools maintain the high standards found in the other departments of education.

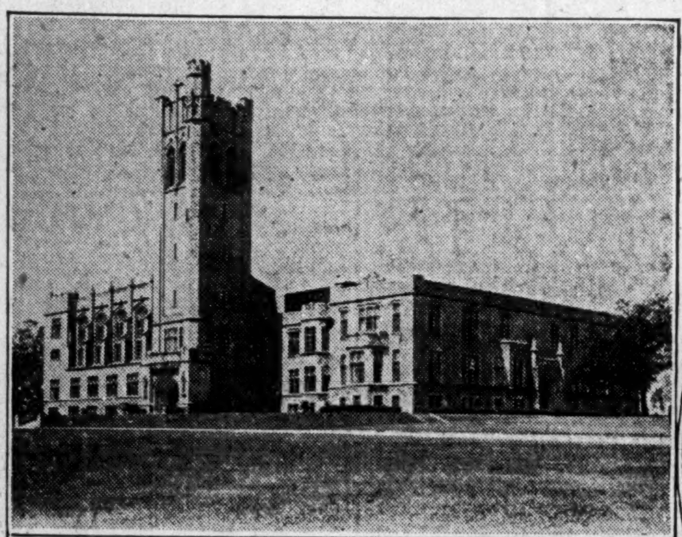
Other educational institutions in the city are the London Institute of Musical Art, which is affiliated with the Toronto Conservatory of Music; the Normal School, with a 1930 attendance of 216; the Westervelt School, the London Business Institute, and the Wells Academy.

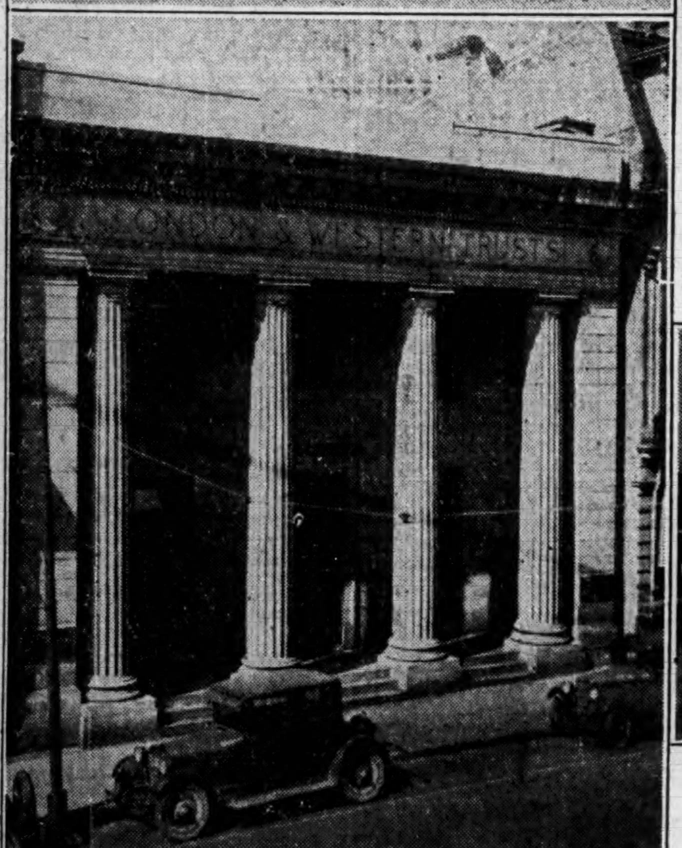
Three Public Libraries

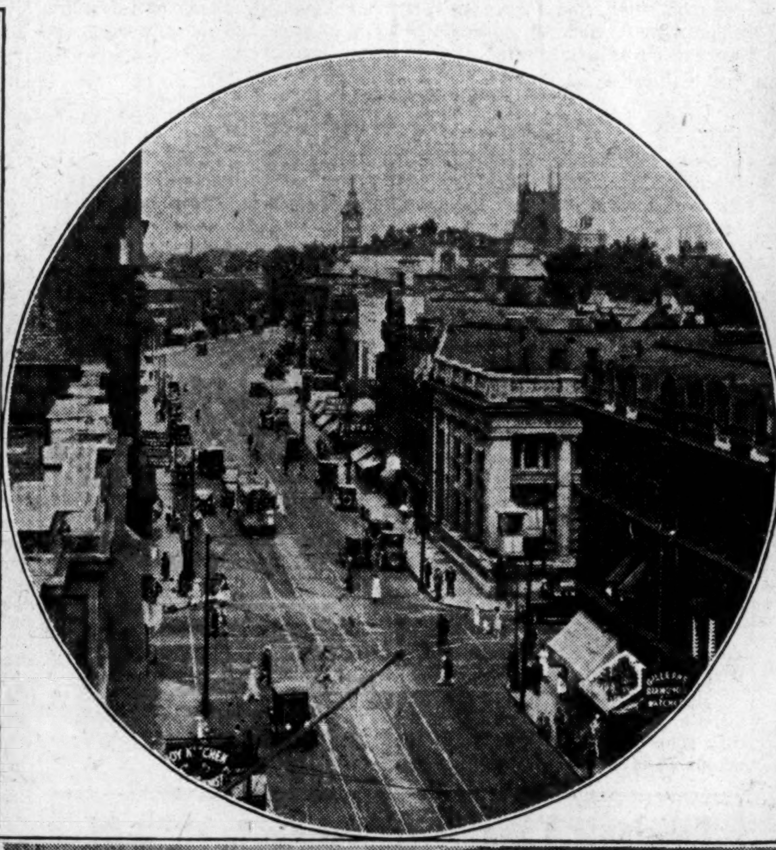
An efficient public library is maintained, having three branches to serve various districts. In 1930, 42.6 per cent of the city's population were members, as compared with 18 per cent in 1912. In the

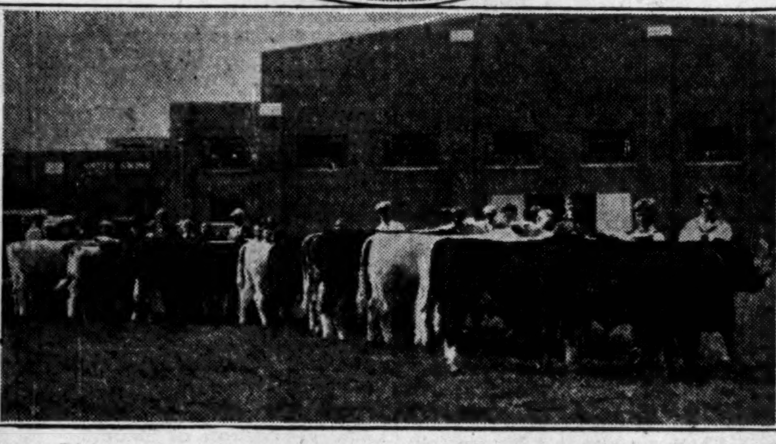
(Continued on page 13)

Every Interest Represented in City of London's Diverse Life









Rising amid one of the most fruitful agricultural districts in Canada, London supplies every need of the community it serves. One of the foremost financial centres of Canada, at the same time it has developed a stable and substantial industrial life and possesses in addition many cultural attractions such as Western University, which ranks high among Canadian educational institutions.

The above layout shows: Top left—Main Arts Building, University of Western Ontario. Top centre—The main business section of the city. Top right—Beautiful McCormick plant of Canada Biscuit Co. Lower left—Head office of London & Western Trust Co. Lower centre—Junior calf feeding competition in front of new livestock arena, Western Fair. Lower right—Newly opened head office of Huron & Erie Mortgage Corp.

West. Ontario Hub Now Ranks Third As Finance Centre

Solid Financial Structure Built on Agricultural Foundation of Past Decades—Per Capita Wealth Greatest in Dominion

Development of the city of London to the point where it ranks third among the financial centres of the Dominion, has been a gradual, unspectacular process which has achieved without appearing to attempt. Progress may have been slow, but it has been sure, and there have been no reverses.

As the undisputed capital of Western Ontario, in finance, London's importance is the more striking because it ranks but tenth among the cities of Canada in population. It is not surprising, therefore, that London has the greatest per capita wealth in Canada, that the London district is the third largest in payment of income tax, and that London is exceeded by only two other Canadian cities in the number of its resident millionaires.

How this enviable record has been achieved is obvious. A district rich in natural resources was settled by hardy, thrifty pioneers. They succeeded, and they helped others to succeed. London grew with Western Ontario. After equipping itself to function as the market centre of the district,it developed the power to initiate and organize sturdy business enterprises for activities and service in still larger fields. Thus the trading centre of the pioneers, constructed upon the foundation of success they had won for themselves, now was in a position to reach out and build for others. The basis undoubtedly was agriculture; the result was a diversely organized business centre extending its influence over a growing Dominion and beyond it.

Stability is Key-Note

A stable and lofty financial structure now has been reared upon this firm agricultural foundation. The community is remarkably self-contained. There have been no booms and comparatively no hard times. Industries have become so diversified that an enviable stability is the result. National business now is augmenting in a very big way the earlier established district wealth, and in many departments of business is sufficiently stalwart to carry on quite independent of it.

Naturally enough, the multiplication of successes by small individual businesses offers an inducement and a field of operation for a greater, more complex financial development. Since early in its career London has been exceptionally well served in this direction. Strong local institutions sprang up, became robust and energetic on the increasing wealth of a prosperous community, secured a sure footing, prospered, and invaded more distant fields. It would be an imposing list that would tabulate the outstanding enterprises and buildings throughout Canada built by London capital.

Branch Offices Opened

Simultaneously with this development, a counter invasion took place. Financial and investment houses in other centres saw an attractive, productive field in prosperous Western Ontario, and the best of them, representing the established pillars of Canadian financial stability, soon paid tribute to the importance of its capital, London, by opening branches. They, too, have contributed greatly to London's progress and have prospered with it.

Institutions Widely Known

The evidence of London's financial development is found in the outstanding establishments born and nurtured here. Prominent among these institutions, whose head offices are in London, many of them known throughout the financial world, are two strong life insurance companies, five loan, savings and trust companies, and one widely-known fraternal organization. Most of these maintain branches in other centres, some of them being extensively represented throughout the Dominion. The organizations referred to are as follows:

London Life Insurance Company;
Northern Life Insurance Company of Canada;
Canadian Woodmen of the World;
Huron & Erie Mortgage Corporation (five local branches);
Ontario Loan and Debenture Company;
London and Western Trusts Company;
Canada Trust Company;
The Premier Trust Company.

The two insurance companies referred to have business in force in excess of $500,000,000, and assets of approximately $75,000,000. The combined assets of the trust and loan companies exceed $100,000,000.

As confidence is the undisputed basis of business relationships, the success of London's financial establishments was virtually guaranteed. They were managed by men of unquestioned ability and integrity, and

(Continued on page 12)

City of London's Success Due to Happy Union

Ideal Community of Interest Between Prosperous City and Country-side Key to Stability and Growth

The elements of which a desirable unity is composed are visible in Western Ontario. They are the elements which combine naturally to produce strength, and they have combined to produce the ideal community—a prosperous country-side and a prosperous city, interdependent.

The heart of this district undoubtedly is London—a population of 73,000 set in the centre of a district population of nearly 300,000. But if London is the heart, the whole of Western Ontario is none the less one organism, pulsating in unison and functioning in harmony. It is the general acceptance of this unity that has welded Western Ontario together into one community, taught others that it is a unit, and made London its dominating centre.

There is a double benefit in this situation—pooled resources and harmonious relationships. The community functions largely as a unit, and it does so without the petty rivalries sometimes outcropping elsewhere. In Western Ontario the out-crop is mutual understanding and sympathy. The citizens of London respond to the active goodwill of their tributary population with open acknowledgment of their dependence.

"We appreciate the fact that Western Ontario makes London," they say; "London does not make Western Ontario."

This, however, will bear qualification, for London has progressed into big figures sufficiently to have set up a large amount of broad national business dealing even though it rests upon the older, more local, foundation.

That the foundation is firm is due to this cement of mutual sympathy that holds city and country together. The citizen of London is close to the farm worker fifty miles distant, because their interests are mutual—and he knows it. This responsiveness is unity, and still more it is strength.

A sound basis of prosperity anywhere is agriculture. The superstructure reared upon it may be extensive and broad, composed of industries which have very little in common, but together they merge into the general industrial scheme and produce a colorful community with high standards of living, and a high sense of its obligation to the nation.

This diversity makes for stability, and it is the justifiable pride of Western Ontario and its commercial capital.

Statistical Highspots, 1930 City of London

Building permits	$2,744,735
Real estate transfers	$3,032,397
Street railway passengers	11,191,326
Births	1,541
Deaths	1,130
Marriages	615
Customs and excise revenue	$3,144,517
Bank clearings	$168,047,076
Assessment	$86,401,814
Taxes on roll	$3,420,088
Population	71,310
Pavement constructed	4 miles
Sewers constructed	.13 miles
Curbs and gutters constructed	2.68 miles
Sidewalks constructed	1.79 miles
Number of municipal electors	37,845
Number of houses	18,960
Per cent occupied by owners	51.5
Alien population	1,235
Apartment houses	76
Vacant lots	7,058
Occupied stores	892
Vacant stores	34
Vacant houses	591

London City Noted For Sound Growth Amid Rich Market

Stability and Balance Feature Development of Western Ontario "Capital"—City Has Never Had a Boom But Growth Has Been Constant

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MANY PROPERTIES NOW CONTROLLED BY SILVERWOODS

Plants Number 26—Sales Volume Approaches $10,000,000

NOW CONSOLIDATING

Share Offering to Employees Very Successful Says A. E. Silverwood—90 p. c. Respond

Rapid growth of Silverwood's Dairies, Ltd., has attracted considerable attention to the company and its operations.

Head office of the holding company, and a number of subsidiary companies, is at London, while associated companies are located at various points in Western, Northern and Eastern Ontario. A total of twenty-six plants are operated.

The business was established by A. E. Silverwood in 1903, incorporation as Silverwood's Limited taking place in 1909. In the last ten years a number of dairies and creameries in Western Ontario were acquired, so that in 1928, when Silverwood's Dairies was formed, the Silverwood companies numbered eighteen.

Has Many Subsidiaries

In the next year or two the Silverwood chain was still further extended, with the taking over of companies in other centres. The company now controls the following subsidiaries:

Silverwood's Ltd., London; Silverwood's Storage, Ltd., London; Silverwood's St. Catharines Dairy, Ltd., St. Catharines; Silverwood's Lucknow Creamery, Ltd., Lucknow; Silverwood's Windsor Dairy Ltd., Windsor; Silverwood's Kitchener Dairy, Ltd., Kitchener; Silverwood's Elmira Creameries, Ltd., and Elmira Creamery Co., Elmira; Silverwood's Chatham Dairies, Ltd., Chatham; Silverwood's Sarnia Dairy, Ltd., Sarnia; Silverwood-Burke Dairy, Ltd., Hamilton; Silverwood's Brantford Dairy, Ltd., and Brant Creameries Ltd., Brantford; Silverwood's Peterborough Dairy, Ltd., Peterborough; Silverwood's Stratford Dairy, Ltd., Stratford; Silverwood's Woodstock Dairy, Ltd., Woodstock; London Cold Storage Co., London; Silverwood's Guelph Dairy, Ltd., Guelph; Silverwood's Oxford Dairy, Ltd., Woodstock; Silverwood's Toronto Dairy, Ltd., Toronto; Silverwood's Forest Produce Co., Forest.

There are also the following associated companies, controlled by A. E. Silverwood, whose stock is under option to Silverwood's Dairies, Limited, and which may be acquired at any time:

Silverwood's Milk Products, Ltd., Toronto; Silverwood's Cargill Creamery, Ltd., Cargill; Silverwood's Fergus Dairy, Ltd., Fergus; Silverwood's Cayuga Creamery, Ltd., Cayuga; Silverwood's North Bay Dairy, Ltd., North Bay, and Silverwood's Sudbury Creameries Ltd., Sudbury.

Year of Consolidation

According to A. E. Silverwood, president and general manager, 1931 has been a year of consolidation, following several years of expansion. By the end of September he expects consolidation to be completed. Business is said to have been maintained at a high level, and prospects are that it will continue satisfactory. Total sales volume was approximately $10,000,000 in 1930. Mr. Silverwood believes that the increase in business in 1931, in terms of units, will make up for the shrinkage in dollar value.

During the year an opportunity was offered employees to become shareholders in the company, over ninety per cent responding. A similar opportunity was given to the company's producers. Mr. Silverwood states that outside of the employees, the bulk of the company's securities are held by the producers. Shareholders number about 5,000.

The various units of the company are retailing milk to nearly 100,000 homes.

Officers and directors are: A. E. Silverwood, president and general manager; W. E. Robinson, vice-president; Geo. H. Belton, second vice-president; J. H. Duplan, assistant general manager; J. H. Gillies, secretary-treasurer; G. Blake, assistant secretary-treasurer.

Directors: A. E. Silverwood, W. E. Robinson, Geo. H. Belton, R. G. Ivey, London, Ont.; E. K. Reiner, Wellesley, Ont.; E. W. Nesbitt, Woodstock, Ont.; W. H. Carruthers, Toronto.

Consolidated balance sheet for Silverwood's Dairies, Limited, and twenty-two subsidiaries, as at September 27, 1930, showed total assets of $5,840,959. Outstanding at that date the company had $3,326,900 in shares of seven per cent cumulative redeemable convertible preference shares; 139,745 shares of non-voting fully participating class A shares of no par value; and 25,000 common shares of no par value.

Hotel London Earns First Mtge. Interest

While earnings of London Realty Co., operating Hotel London, at London, Ont., are reported to be down some 20 per cent for the first six months of 1931 as compared with the first six months of 1930, first mortgage bond interest is stated to have been well covered and indications are that first mortgage bond interest charges will be earned somewhere between 1.5 and 2 times during the current year.

Tourist traffic has been below 1930 and 1929 levels but commercial business is stated to be holding up well and room rentals are satisfactory in light of current conditions. Rentals have been down to such an extent, however, that the new addition, completed early this year, has not been necessary to date and has not resulted, as yet, in improving the earnings position of the company. Business is usually better in the latter half of the year, it is said.

Public investment interest is in the 6½ per cent first mortgage bonds outstanding to the extent of $1,200,000.

SUPERTEST PETE FIRST OPERATED AS LONDON FIRM

Service Station Business Began With 3 Outlets in Forest City

From its inauspicious start with three service stations as a basis, Supertest Petroleum Corporation, Limited, of London, has grown to a large organization with widespread sales outlets numbering over 1,000.

This London enterprise was incorporated to serve London in 1923. Since then, however, expansion has been continuous and extensive. The company wholesales and retails gasoline and oils, operating a chain of its own stations as well as controlling others. The attractive architectural style of Supertest service stations is well-known throughout Ontario and Quebec provinces.

Sales Increasing

In reporting to the company's annual meeting at London, held March 2, 1931, the president, J. G. Thompson, stated:

"The year 1930 was difficult for the petroleum business in general, owing to excesses in production and refining in the United States, which continued in evidence during the past year. Regardless of this, however, the company succeeded in increasing its sales in a very satisfactory manner. Sales for 1930 amounted to $3,451,005, as compared with $2,601,446 in the year 1929.

"From an earnings standpoint, the year has proved to be extremely profitable, earnings running well ahead of any previous year, and after unusually heavy write-offs there has been brought forward to surplus account an amount in excess of half a million dollars."

New Stations Built

During the past year a number of new service stations were built and others rebuilt to conform to the company's particular architectural style. New branches were opened in Barrie, Brantford, Oshawa, Orangeville and Winchester. Fixed assets were increased by over $880,000, as compared with an increase of $760,000 in 1929.

Officers of the company are: J. G. Thompson, president; J. D. Good, vice-president and secretary-treasurer; W. Lesson Baragar, vice-president and general manager.

Directors: J. G. Thompson, James D. Good, T. H. Yull, J. B. Hay, W. H. McPhillips, A. S. Thompson, A. H. Murphy, W. L. Baragar, L. L. Armstrong, all of London; A. H. Fitzsimmons, Ottawa; A. B. D. Bruce, W. H. Jolliffe, Toronto; R. L. Anderson, Hamilton.

LONDON CITY RANKS HIGH IN CULTURE

(Continued from page 11)

same period the library's circulation has gone from 147,675 to 527,761.

With parks and playgrounds the city is abundantly supplied. The civic parks department maintains ten parks, having an acreage of 580. This includes the Springbank Park of 325 acres, a recreational and amusement centre, rich in natural beauty, and the Thames Valley Golf Course of 112 acres.

There are also thirteen carefully supervised playgrounds, maintained during 1930 at the small per capita expense of 46 cents. These were referred to Thomas Adams, well-known town planning expert of Ottawa, who, in an address in Wales spoke of London as an ideally planned city, "one of Canada's most beautiful centres of population, with wide streets and boulevard system, beautiful parks and supervised playgrounds for children."

Western Ontario Hub Now Ranks Third As Finance Centre

(Continued from page 11)

they were operating in a field that insisted upon registering a consistent, steady growth, without uncertainties and extremes. The fertility of Western Ontario soil, the hardihood of its intelligent farmers, its advantageous location for diverse industries, and other factors—these were the real guarantors of business stability in Western Ontario. And the consequent evidences of this confidence have crystalized in the third finest set of financial institutions gathered in any Canadian city.

A worthy feature of both insurance and trust companies is their common reputation for conservative management. Some of them are older than Confederation, and the habit of sure and definite progress has become so firmly established that any incentive to relax rigid standards is lacking.

Many Bank Branches

London is exceedingly well served by the leading Canadian banks, including the following: Bank of Montreal (five branches); Bank of Toronto (six branches); Canadian Bank of Commerce (two branches); Dominion Bank (two branches); Royal Bank of Canada (two branches); Bank of Nova Scotia, and Imperial Bank of Canada, a total of nineteen branches.

Bank clearings show London to be the fifth centre in Ontario and the twelfth in Canada. Here are some figures:

1915	$89,774,787
1925	136,640,609
1930	168,047,076

Closely related to the financial life of the city, both drawing from and contributing to its stability are the large manufacturing and industrial plants that represent practically all branches of industry and produce a range of products remarkable for its diversity.

Mostly Home-Made

A stabilizing factor of high importance having a definite bearing upon the strength and size of London's financial institutions is the large number of permanent payrolls. With very little fluctuation from year to year, these help to provide circularizing funds and contribute to the city's steady growth.

One of the nice things about London is that it is really home-made. The men who head up the majority of its big institutions are the boys who played on the streets of a much smaller, less important London, and many are the descendants of the pioneer financiers and industrialists, the foundation-builders, of an earlier generation.

Home pride runs high, and the character-building of London institutions has been in keeping. What these men have built and are building into their birthplace will stand as a tribute to their vision, business acumen and enterprise, for long years to come.

London's Taxable Assessment, 1930-31

	1930	1931
Assessment for city	$84,600,097	$86,603,167
Additions by Court of Revision	633,390	451,010
	$85,233,487	$87,054,177
Reductions by Court of Revision	156,837	237,738
Exemptions, Hotel London	414,625	414,625
	571,462	652,363
Total assessment for general rates	$84,662,025	$86,401,814
School rates only	414,625	414,625
Total assess. for school rates and patriotic tax	$85,076,650	$86,816,439
Separate school assessment	5,881,394	6,009,250
Public school assessment	79,195,256	80,807,189
Increase in taxable assess. over previous year, general	4,040,021	1,739,789
School	4,040,021	1,739,839

Can. Woodmen of World Established 68 Years

Canadian Woodmen of the World, one of the oldest fraternal organizations in America, has its head office in London.

The organization was instituted in 1863 and now has grown to control assets of about $2,000,000, with a membership well over 6,000.

Clair Jarvis is the head Consul Commander for Canada.

GOOD INCREASE MADE IN SALES BY KELVINATOR

Domestic and Export Trade Supplied by Local Plant

Excellent progress has been made during 1931 by Kelvinator of Canada, Ltd., engaged at London in the manufacture of Kelvinator and Nizer refrigeration units for Canadian consumption and export throughout the British Empire. Western sales have increased and more business is reported from grocery, butcher and chain stores.

Howard A. Lewis, vice-president of the company, has stated that sales of the company, during the eight months ended May 31, 1931, were 37 per cent ahead of the corresponding eight months of the previous fiscal year. It is also stated that net profits showed an increase. Manufacturing operations in Canada have been increased materially and certain models are being supplied to the English subsidiary company direct from Canada.

The Kelvinator company maintains an attractive and well-equipped plant in London, located prominently on Dundas Street East, and therefore conspicuous to tourists crossing Ontario by Highway No. 2.

Has Exclusive Rights

The rapid popularizing of electric refrigeration equipment is having a salutary effect upon the company's business, and the sales organization has been taking full advantage of the favorable situation. The company holds exclusive rights to manufacture in Canada under the Kelvinator and Nizer patents owned by the parent company, Kelvinator Corporation, Detroit. Subsidiary companies are Kelvinator, Ltd., London, England, and Electrical Specialties Co., Hamilton, Ontario.

Kelvinator of Canada, Ltd., was organized in 1924, as the sales agency in Canada for Kelvinator products, which are units for domestic and commercial refrigeration. Later on, when the Nizer Corporation amalgamated with the parent company, Nizer products, which are used by the ice cream trade, were added. During 1919 the company obtained Canadian patents on cooling units for storage and display refrigerators, and in 1930 commenced the distribution of Bosch and Stromberg-Carlson radio sets.

The officers and directors are: George W. Mason, president; H. A. Lewis, vice-president and treasurer; F. S. McNeal, general manager; Merlin Wiley, secretary, Detroit; G. V. Egan, assistant-secretary; Howard Gray, assistant-treasurer. Directors: A. E. Ames, Toronto, chairman of the board; C. B. McNaught, Toronto; A. T. Little, London; D. O. Bull, Brampton; A. H. Goss, Howard A. Lewis, George W. Mason, Merlin Wiley. At the company's annual meeting in January of this year, F. S. McNeal, general manager, was appointed a director, thus increasing the number of directors to nine.

General Steel Wares Has Big London Plant

McClary Unit of Dominion-Wide Company Founded in 1847—Largest Stove Plant in Empire

Citizens of London have always been proud of the home industry developed in their midst, the McClary Manufacturing Company. This pride is still in evidence, now that this company is one of the chief units in the larger corporation, General Steel Wares, Limited.

McClary Company was 80 years old when it joined the big merger four years ago. At the time of its birth, in 1847, the incorporated village of London had a population very little over 4,000. Few industries in any city have been so intimately associated with the development of a village successively into a town and eventually into one of the leading cities of the country. In this interesting period of growth, McClary's has been one of the principal factors.

On the date that the McClary name disappeared, October 17, 1927, the new organization, General Steel Wares, Limited, came into being. It brought into close relationship large manufacturing firms elsewhere, some of them dating their origin back almost as far as McLary's, to 1858 and 1867, and occupying the same position of dominance in their respective cities. The amalgamated companies formed one of the largest and most powerful manufacturing institutions in the Dominion.

Is Industrial Mainstay

The London branch of General Steel Wares, Limited, continues to be one of the city's industrial mainstays. The merger has brought some changes in products manufactured and departmental relationships, made in the interests of economy, but there continues to be evidence of progress accompanied by a feeling of confidence. Extensive plant additions, to house the new enamelling department, were completed a year ago.

The McClary name was built upon the manufacture of stoves, furnaces, kitchen utensils and other items of hardware. Its success is common knowledge throughout Canada and abroad, for it became and still is, the largest stove manufacturing plant in the British Empire.

Products manufactured by General Steel Wares include the following: enamel, aluminum, nickel, copper and sheet metal kitchen utensils, stove pipes, lanterns, milk cans, eavestroughs, plumbing fixtures, tins and pails of all descriptions, metal signs and name plates, shovels, steel sinks and wash basins, ice boxes, refrigerators, hotel equipment supplies, soda fountain equipment, electric, gas, coal and wood ranges, heating stoves and warm air furnaces.

In Many Cities

Properties owned by General Steel Wares include plants at Toronto, London, Brantford, Montreal, Winnipeg and Vancouver, employing over 3,300 workers and having a combined floor space exceeding 50 acres. Sales branch warehouses and shipping depots are operated in all the principal cities of Canada.

Consolidated balance sheet of General Steel Wares, Limited, as at December 31, 1930, shows total assets of $18,839,206, and surplus of $102,632.

Working capital for 1930, as compared with 1929, is shown as follows:

	1930 $	1929 $
Current assets	6,752,236	8,458,139
Current liabilities	654,408	1,224,231
Working capital	6,097,828	7,233,918
Ratio	10.32—1	6.91—1

Dipped Into Surplus

In view of the drop in earnings in 1930, the company transferred $645,000 from its contingency reserve fund to surplus account as available for distribution. Following this shareholders were notified in January last that the continuance of dividends after the Feb. 1, 1931, payment could not be justified until business conditions improve.

Officers and directors are:

J. C. Newman, president; F. S. Corrigan, vice-president and general manager; G. K. Shields, vice-president in charge of sales and assistant general manager; L. W. Dickson, secretary; J. M. Campbell, treasurer; W. F. Holding, comptroller; Alex J. Clark, general sales manager.

Directors: J. C. Newman, Hon. Donat Raymond, F. M. Ross, Montreal; F. S. Corrigan, W. S. Gibson, H. H. Horsfall, W. S. Hodgens, Toronto; A. J. Clark, Winnipeg.

FOOD, STEEL LEAD LONDON MANUFACTURES

(Continued from page 11)

cate and the Catholic Record. The 1929 figures are:

Printing and Publishing, 1929

	Employees	Value of Products
Job print. & bookbdg.	107	$292,540
Print. & publishing	331	1,384,486
Lithog. & engraving	507	2,228,870
Total (1929)	945	3,907,896
% of total industries	9.3%	7.7%
Total (1928)	954	3,707,865

Leather Industries

Boots and shoes have been manufactured in London, in volume, for many years. Leading firms are Scott & McHale, Limited, and the Murray Shoe Co. Ltd. Manufacturing also is carried on in saddlery, harness and leather goods. The 1929 figures are:

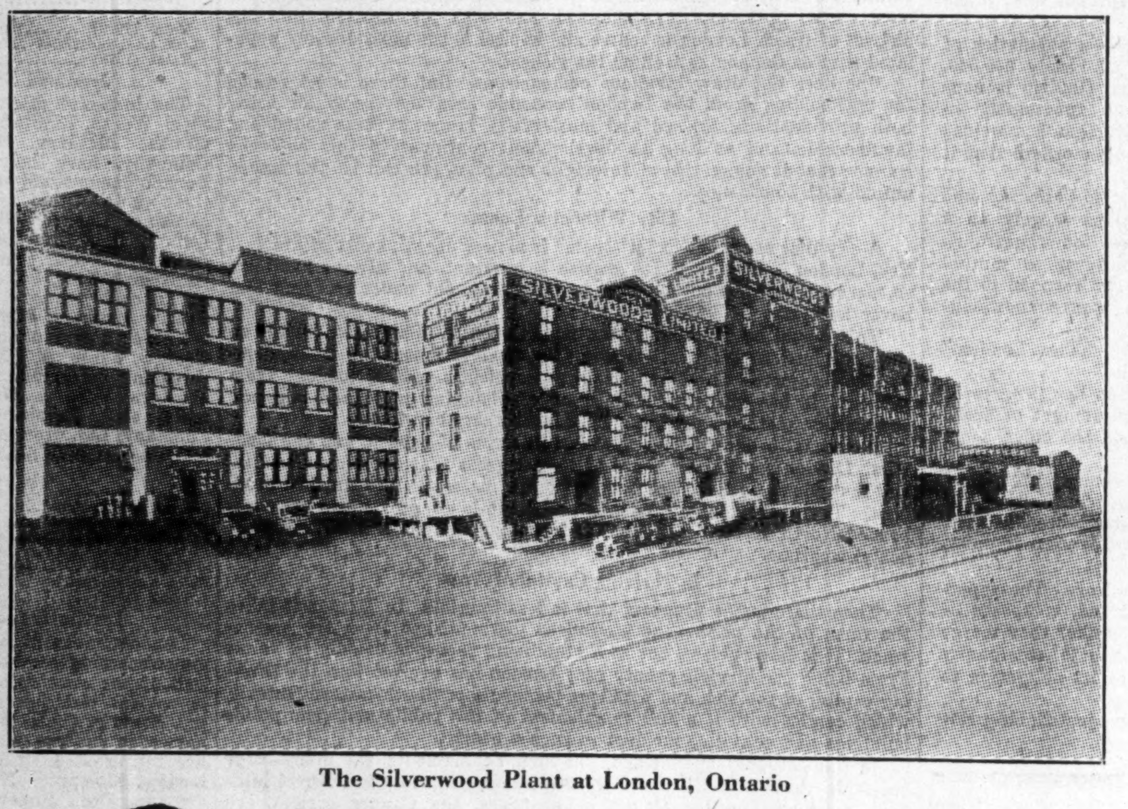
Leather Industries, 1929

	Employees	Value of Products
Harness & saddlery	11	$ 22,778
Leather boots & shoes	452	1,321,760
Total (1929)	463	1,344,538
% of total industries	4.5%	3.6%
Total (1928)	503	1,940,406

Province Wide Distribution

Serving 100,000 Customers in Ontario

Annual sales include approximately Thirty Million Quarts of Silverwood's "Safe Milk", One Million Gallons of Silverwood's "Smoother than Velvet" Ice Cream and Five Million Pounds of "Silverwood's" and "Elmira" Finest Creamery Butter.



The Silverwood Plant at London, Ontario

Operating Plants at:

LONDON
TORONTO
WINDSOR
CHATHAM
BRANTFORD
HAMILTON
KITCHENER
ST. CATHARINES
PETERBOROUGH
ELMIRA
LUCKNOW
CARGILL
STRATFORD
SARNIA
WOODSTOCK
GUELPH
FERGUS
FOREST
CAYUGA
NORTH BAY
SUDBURY

The Silverwood Plant at Toronto, Ontario

Silverwood's Dairies, Limited

PRODUCERS AND PURVEYORS OF

Safe Milk—Jersey Milk—Table and Whipping Cream—Buttermilk—Ice Cream—Evaporated Milk—Cheese—Creamery Butter—Powdered Milk—Condensed Skimmed Milk—Buttermilk Powder—Ice Cream Sundries—Semi-Solid Buttermilk—Eggs—Poultry—Frozen Eggs—Soda Fountain Supplies

Owned and operated by Over Five Thousand Canadian Shareholders including Producers, Consumers and Employees

CITY'S PAYROLL BENEFITS MUCH FROM BUILDING

London's Building Permits Average $2,600,000 Annually

PLANT EXPANSION

Growth of City's Industries Causes Many Extensions to Existing Properties

By W. H. WOOD
Manager, London Chamber of Commerce

The sound growth of London is visualized in the expansions and construction programmes carried on yearly—apartments, charitable institutions, churches, factories, financial institutions, hospitals, hotels, houses, schools, service stations, stores and warehouses. These will be prominent in the diversified list of building permits that have been and will be issued in this city during the year 1931.

This phase of civic growth makes a decided contribution to the community payroll. Building permits to the number of 3,267 were issued during the past three years— an average of 1,089 permits yearly. The total value of the permits issued during the three year period represents $7,785,555 — a yearly average of $2,595,185. To the end of December, 1930, building permits surpassed those for the twelve month period of 1929 by $335,835. The 1930 total was $2,744,735.

120,000 Man-days

The year 1930 was London's biggest year in various municipal constructions, including the new Kensington Bridge, street paving, and so forth. The building industry in London this year will equal a business enterprise employing over 400 well paid men every day during 1931. The construction advance for the year will therefore provide over 120,000 man-days of work.

Ratio of labor costs to total construction expenditure varies widely, of course, but a fairly comprehensive analysis discloses that on the average, $5,000 expended on construction provides work for a year for one man—partly on the job, partly in the mine, mill, quarry, machine shop, or other source of material used for building—or in transportation of such materials.

London's construction programme for 1931 will run over $2,000,000, exclusive of sites. The number of building permits issued during the first quarter of the current year exceeded the number applied for during the same period the year previous. The increase in the amount of money involved exceeds $71,700.

Many Projects Under Way

Three hundred or more new houses will be erected this year.

Kellogg Company of Canada, Ltd., have made a $150,000 addition to their present plant.

Lawson and Jones, Ltd., also have extended their plant.

Construction on the $3,664,000 project having to do with the Canadian National Railways Grade Separation in London is now going forward.

Municipal constructions — street, sidewalk, sewer, school buildings and so on that always accompanies the yearly growth of London will be of considerable consequence.

London's natural gain is more than 100 families per year. Added to this is the greater growth caused by the new families that are attracted to the city each year. The net gain this year will be fully 300 families, which will represent 1,200 people and will increase the population figures to a total of 73,000.

NORTHERN LIFE NOW HAS ASSETS OVER $8,500,000

Total Business in Force Amounts to About $55,000,000

Northern Life Assurance Co. is another insurance organization with home office in London. It operates under an act of parliament of Canada and has been doing business since 1897. It has offices throughout Canada from Halifax to Vancouver and has about four or five hundred employees, over sixty of them being in the City of London.

Company writes ordinary and group life insurance and has over $55,000,000 of insurance in force. Most of the policies written are on the coupon savings plan such as are issued by no other Canadian company and which guarantee annual dividends at the time of payment of the second and succeeding premiums.

Assets Total $8,500,000

Assets of the company are now in excess of $8,500,000. Over 40 per cent are in first mortgage loans on improved property principally in Ontario. Bonds make up 30 per cent of the total and another 17 per cent is invested in loans on policies which are secured by the value of the policies themselves.

Directors of the company are all Londoners. The president is R. G. Ivey, who is also president of the London Street Railway, and the vice-president is W. E. Robinson who takes an active interest in the company's investments. The other directors are Ray Lawson, Major A. T. Little, J. E. McConnell, John S. Moore, Major Gordon J. Ingram and Frank A. MacCormick.

General manager is R. C. Macknight, assistant manager and actuary, C. R. Bissell, Medical referee is W. A. Thomson, M.D.

Progress of the company is shown by the following table:

	Total Income	Total Assets	Insurance in Force
1900	$ 70,315	$ 253,894	$2,065,200
1905	174,806	586,587	4,673,488
1910	319,849	1,435,830	7,009,599
1915	511,155	2,522,375	10,401,232
1920	955,393	3,656,985	22,190,672
1925	1,228,655	5,461,791	27,800,777
1930	2,372,009	8,334,715	58,000,000

Non-metallic Minerals Decline

Manufactures of non-metallic minerals in Canada during 1930 were valued at $215,043,078, a decline of approximately 12½ per cent in value compared with the previous year. There are 1,189 factories in Canada engaged in manufactures of non-metallic minerals employing about 30,000 workers.

London International Trustee Shares

Series "A"

A sound investment in the development of twenty Canadian and United States corporations that are leaders in twelve basic industries.

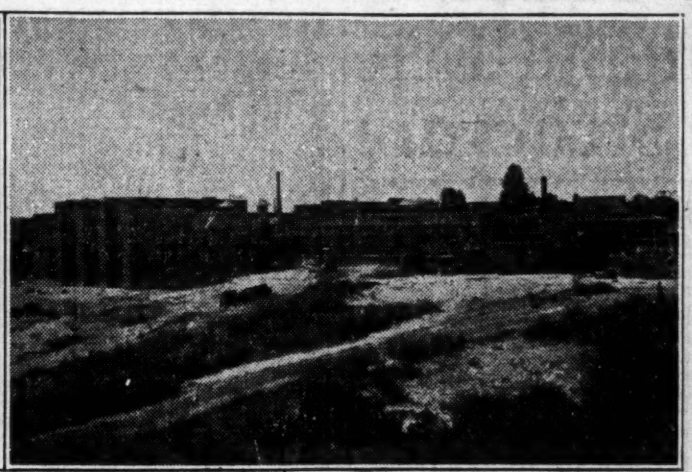
Write to either of our offices for descriptive circular.

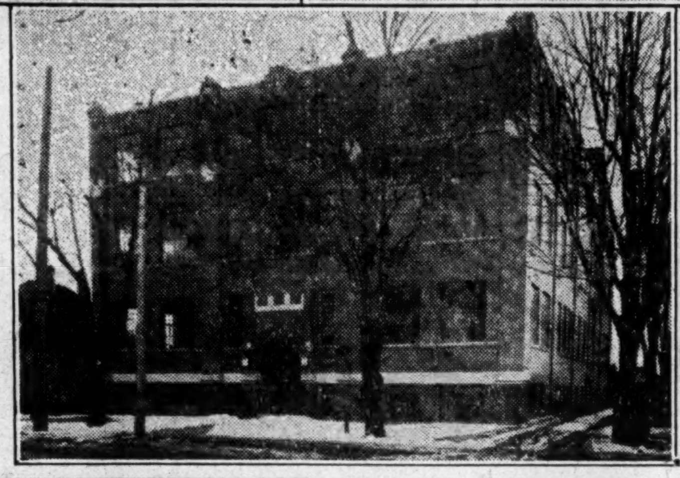
London International Distributors, Ltd. Depositor
Canada Trust Company, Trustee

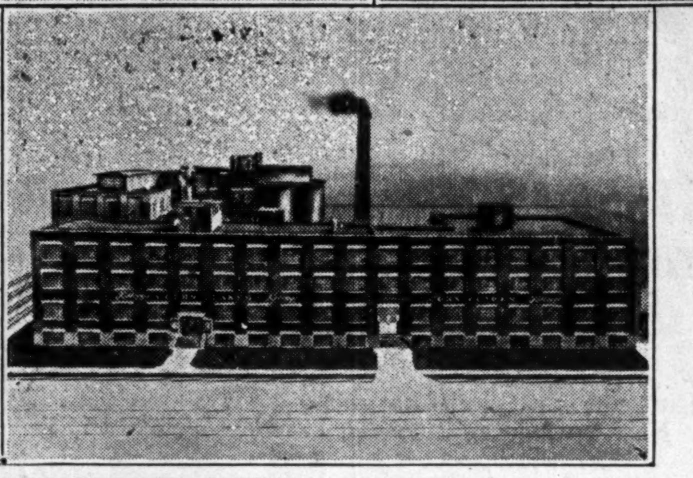
ISARD-ROBERTSON & COMPANY
Limited
Investment Bankers

701 Toronto General Trusts Bldg. TORONTO, ONT.
501 Huron & Erie Bldg. LONDON, ONT.

New Construction Attests London's Growing Industrial, Commercial Life







Important additions to existing plants and institutions, made necessary by increased business, indicates the stability and growth of this Western Ontario city. At the top left is the 120-room addition to the Hotel London, while at the right is the new enamel plant of the McClary division of General Steel Wares. Lower left is the new Jones Box & Label Co. plant, while at the right is the Kellogg Corn Flake Co. plant, to which a $150,000 addition was recently made. In the upper centre is an aeroplane view of the business district of the city.

PUBLIC UTILITIES UNDER OPERATION OF MODEL BODY

Commission Controls Four Civic Departments With Efficiency

An example worth emulating has been set for other municipalities by the City of London in its Public Utilities Commission.

This body, composed of five members, serving for two years each, administers the civic waterworks, electrical, parks and playgrounds departments. It has evolved from the Board of Water Commissioners, formed in 1878, which continued until 1914.

The Commission occupies the modern municipal building on Dundas Street East, built in 1927, a civic headquarters building whose very design, appearance and appointments suggest efficiency. The building also houses the offices of the mayor, S. Baker, city clerk; Jas. S. Bell, city treasurer, and other civic officials.

The personnel of the Public Utilities Commission for this year is as follows:

Commissioners: J. C. Doidge, T. W. McFarland, R. H. Dowler, J. Vining and Mayor George Hayman; general manager, E. V. Buchanan; secretary, O. Ellwood; treasurer, Jas. S. Bell.

Fine Water Supply

The water department alone had a total revenue for 1930 of $361,486. London draws its pure water supply from wells and springs, as well as by operating a river system for industrial use. The Commissioners report that in spite of the two recent dry seasons, the city water supply was ample for all needs without curtailment. Operations are proceeding successfully in the north-east end of the city for an additional 2,500,000 gallons of water per day. All extensions and new construction work have been financed out of current revenue.

Rates for water consumed are: up to 10,000 cubic feet, bi-monthly, 15 cents per 100 cu. feet gross. For further amounts over 10,000, the rate slides from 12½ cents to 8 cents per 100 cubic feet gross.

Light Rates Lowered

Although the domestic use of electric current increased about 10 per cent last year, the commercial consumption fell off about 4 per cent. In spite of reduced rates and lower consumption, a net surplus of $85,452 was shown on the balance sheet, in addition to putting aside $90,693 for depreciation and other reserve.

The biggest accomplishment during the year was in the installation of the new 4-wire, low-voltage network system now being put in service, and which will effect much greater continuity of service.

The power rates adopted by the Commission are exceptionally favorable for industrial development. The City of London was one of the pioneers in the great Hydro-Electric development in Ontario, and has first class power facilities as well as low rates. The present rates were adopted June 1, 1929.

Wide Diversity in London's Industries

(Manufacturing Statistics, 1929)

Industry	No. of Establishments	Capital Invested	No. of Employees	Salaries and Wages Paid	Cost of Materials (at Works)	Selling Value of Products (at Works)
Coffee and Spices	3	$ 552,926	118	$ 166,039	$ 583,797	$ 921,962
Flour and Grist Mills	3	329,296	34	44,721	862,598	908,418
Bakeries	31	755,668	309	332,199	652,888	1,417,229
Biscuits and Confectionery ...	5	4,540,603	871	796,336	2,087,337	5,441,828
Miscellaneous Food Products...	3	2,135,697	210	328,528	1,198,495	2,740,648
Cigars and Cigarettes	9	444,484	163	139,432	164,750	519,187
Harness and Saddlery	4	55,305	11	10,530	9,511	22,778
Leather Boots and Shoes	3	1,154,588	452	554,104	889,781	1,821,760
Creameries	4	352,906	120	169,813	902,934	1,602,935
Hosiery and Knit Goods	7	3,380,349	953	859,958	1,664,631	3,132,240
Men's Furnishing Goods	4	122,745	49	36,449	82,924	143,518
Paper Boxes and Bags	6	1,459,818	[illegible]	317,103	741,561	1,333,545
Job Printing and Bookbinding.	17	473,168	107	125,167	74,355	292,540
Printing and Publishing	4	633,886	331	522,813	316,083	1,384,486
Lithographing and Engraving..	9	1,850,490	507	665,790	981,381	2,228,870
Planing Mills	3	532,321	81	103,853	196,946	382,206
Furniture	7	173,819	72	65,482	70,179	228,496
Boilers and Engines	3	847,509	140	187,150	307,547	590,755
Sheet Metal Products	5	3,023,874	445	494,237	572,357	1,458,506
Electrical Apparatus	3	824,268	181	229,676	189,100	1,405,891
Monumental & Ornamental Stone	3	99,892	25	36,683	35,635	104,298
Concrete Blocks, Artif. Stone.	10	38,766	15	11,470	15,413	43,344
Aerated Waters	6	163,673	37	42,973	56,343	138,316
Medicinal and Pharm. Prep. ..	5	164,739	43	57,883	69,861	249,920
Dyeing and Cleaning	6	260,719	109	117,924	43,047	307,527
All other Vegetable Products..	5	4,585,828	360	494,994	1,930,200	5,845,593
All other Animal Products ...	6	2,401,016	324	407,363	1,387,559	2,094,811
Textile Products	11	962,602	359	381,226	459,094	961,021
Wood and Paper	10	998,870	260	286,592	763,276	1,264,487
Iron and Steel	16	7,521,577	2,179	2,901,715	2,788,981	7,274,518
Non-ferrous	4	860,419	307	405,113	282,399	1,108,104
Chemical	4	321,665	51	72,269	301,090	572,045
All other Miscellaneous Products	12	5,390,279	593	631,034	420,007	2,405,047
TOTAL	231	$47,413,765	10,134	$11,996,633	$21,102,010	$50,346,829

London City Noted For Sound Growth Amid Rich Market

(Continued from page 11)

siderable enough to act as a powerful magnet on this floating body of buyers. And the natural charm of the city, coupled with the wholesomeness and courtesy of its inhabitants, repay the visitor in the very currency which he appreciates. As an example, London possesses four beautiful golf courses, strategically located so that the tourist finds one of them in his path from whichever side he may approach, north, east, south or west. Incidentally, one of them, that on the west, is a city-owned enterprise that more than pays its own way.

An interesting fact about the city's industrial growth, reflecting on the health of its established businesses, is that recent increases have not been through the location of new industries but through extensions to the old. Examples of this, which also suggest the diversity previously mentioned, are the recent completion of a large addition by the Kellogg Company of Canada, Limited, and the letting of a tender for the construction of still another; the fine addition to the Hotel London in an attempt to accommodate adequately the growing commercial and convention traffic; additions by the Empire Brass Manufacturing Company, the Richard-Wilcox Company, the A. T. Taylor Electric Company, the W. A. Jenkins Manufacturing Company, the Jones Box and Label Company, Limited, and others. It will be recalled, too, that a large addition was made to the plant of the General Steel Wares Company, Limited, a year ago.

Big C. N. R. Development Underway

Civic improvements have been going on apace, adding their impetus to the general push forward, but the biggest enterprise of this kind underway at the present time is the $4,000,000 Canadian National Railways track elevation and depot construction programme. This is a worthily conceived attempt to do justice to the needs of the sixth Canadian manufacturing city, which, when completed, will put its transportation facilities on a par with the most modern.

In two other particulars the city of London is well equipped for greater development industrially. These are in transportation and electric power facilities.

London is situated on two trunk railway lines, the Canadian Pacific and Canadian National, and also has direct connection with the Wabash, Pere Marquette and Michigan Central railroads over the London and Port Stanley Railway, an electric road owned and operated by the city. In addition, the St. Marys and Stratford branches and the London, Huron and Bruce, operate freight and passenger trains daily, connecting with the parent Canadian railways.

With regard to electric power, London has excellent facilities through the Hydro-Electric Power Commission of Ontario, and is able to offer industry first-class service and low cost power. A recent survey published by the Dominion Bureau of Statistics at Ottawa show its power costs on residence and commercial lighting to compare very favorably with costs in cities of similar size in other parts of Canada.

Many Fine Institutions

Functioning always in the best interests of the city, and serving industry in a most efficient manner are some of the best known and respected publications in the Dominion. The London Free Press and the London Advertiser are newspapers of a high order, and the Farmer's Advocate ably mirrors the district's agricultural developments.

The merits of the city and district also are capably placed before the industrial world by the enterprising London Chamber of Commerce. The objective in this organization is sane, healthy growth of city and district in close harmony. The Chamber may be depended upon for accurate information, and interested industrialists also may count upon its co-operation in any arrangements for mutual benefit.

In conclusion, it may be pointed out that the roots of the city extend far back into the dim and distant past, that the city's location was determined over a century ago, that it became an incorporated village in 1840, a town in 1848 and its city incorporation papers were signed by gaslight in 1854. Yet, so far it has nothing on its conscience that it ought to take back.

Its future industrial eminence was seen in embryo a long way back in its history, for the early pioneers were men of quality who shed lustre upon the city. Even in the '40's and '50's such well-known firms as J. McClary, Perrin & McCormick, White Machinery, Hyman's Tannery, Carling's and Labatt's, and the Free Press were being established. Other noteworthy beginnings since then include the Huron & Erie Savings and Loan Society in 1864, and the Ontario Loan and Debenture Company in 1870. It is now almost forgotten that the present powerful Imperial Oil Company had its genesis in London in 1880.

From this brief recital it will be seen that London had a first-class start on the road to industrial prominence, and has ample justification for its present claims in this direction.

Business Man's Criticism Started "Barometer" Series

Travelling far from home on a business trip in Canada, a London business man learned some facts about the London Life Insurance Company which surprised him.

What he had been told were the two following simple facts:

(1) "The London Life is 57 years old."

(2) "The London Life stands second among Canadian life insurance companies in the amount of new business written annually in Canada."

He returned to London and promptly took officials of the company to task for their "failure" to keep the public, particularly the home public, informed as to the truth of the company's fine record and achievements.

Barometer of Business

The result of this man's criticism was the issuing of the "Barometer of Business" series of advertisements by the London Life, in the newspapers of the entire Dominion.

These appeared weekly over a period of eight weeks during the months of June and July, and showed over $19,000,000 of business written in the period.

Following are the "barometer" messages carried in the entire series of advertisements

June 1.—"New Business Exceeds $2,100,000 for week May 25 to 30."

June 8.—"Week's Business Good. $2,233,625. June 1 to 6, 1931. This volume of new business is 8.3 per cent greater than the weekly average for the year 1930."

June 15.—"Another Record Week. June 8 to 13, 1931, $2,056,175, new insurance issued."

June 22.—"$2,102,000. Life insurance purchased by Canadians in this company last week, June 15 to 20."

June 29.—"New insurance for week of June 22-27, $2,321,265. This figure represents an increase of a quarter million dollars over the weekly average for 1930—a 12 per cent gain. A new policyholder was added, on the average, every minute of the working day."

July 6.—"More Bright Spots. Week June 29-July 4, $3,049,013. New insurance issued. This amount is $926,000 greater than the weekly average for the best year in the company's history.

"Coinciding with this favorable production is a decrease in terminations of insurance on the part of policyholders. This suggests greater stability in domestic financing. Terminations in June of this year are less by 10.8 per cent than June, 1930, and for the year to date the improvement is 7.8 per cent."

July 13.—"A Record Week. July 6 to 11, 1931, $3,435,000 new business issued. During the past eight weeks nineteen million dollars of new insurance has been purchased by Canadians in this company as a means of establishing financial security for themselves and their families.

WESTERN FAIR NOW COMPLETING BUILDING PROGRAM

Half Million Spent in Recent Years on Comprehensive Plan

In keeping with the unparalleled agricultural resources of south-western Ontario, and matching their development, the Western Fair, for which London is famous, is one of the finest of its kind on the continent.

This year the fair will be in progress from September 14 to 19. Attendance for the six show days, in recent years, has grown to nearly 200,000.

Although farm products, particularly livestock for which Western Ontario is noted, predominate in the extensive displays, the fair has a fine reputation among manufacturers as a selling exhibition. In this connection, due to the high per capita wealth of the district, it is said to surpass exhibitions much larger in features and attendance.

Big Building Programme

The extensive building programme inaugurated in 1924 has been carried forward, at a cost of approximately half a million dollars. Further livestock accommodation is still to be added.

This programme has been as follows:

1924—New Manufacturers' Building.

1927 — Confederation Building, housing retail merchant, educational and Government exhibits. The name chosen was in commemoration of the fair's origin sixty years previously, the Fair and the Dominion of Canada celebrating their Diamond Jubilee together.

1928—New Administration Building.

1929—New Poultry Building.

1931—New front to the steel grandstand.

During this period considerable money was spent in paving and general improvements.

Livestock Entries Increase

Last year's exhibition saw a substantial increase in the number of livestock entries, and indications are that a still further increase will be registered this year in this department. The association offers a total of $40,000 in prize money, and is practically built on livestock.

Indicating the importance of livestock as well as the Western Fair Association's desire to exercise an educational influence on the district, a feature organized for this year is a junior section for farmers' sons and daughters.

Executive officers of the Western Fair Association are: J. H. Saunders, president; W. E. Robinson, first vice-president; Hon. E. S. Little, second vice-president; Geo. S. Jewell, treasurer; W. D. Jackson, secretary.

LONDON
CANADA
A LIVEABLE CITY

ASSEMBLING AND DISTRIBUTING ADVANTAGES

The great grade separation project costing millions of dollars is well under way. It modernizes London's unexcelled transportation facilities — Airway — Highway — Railway — Waterway.

EDUCATIONAL ADVANTAGES

In London are to be found leading educational institutions, the University of Western Ontario, Huron College, School of Medicine, Business Schools and London's Commercial High School, Collegiate and Primary School systems are admittedly second to none.

ATTRACTIVE ADVANTAGES

London's cultural advantages in art, music, literature and in science make it one of the most desirable cities in the Dominion in which to live.

CULTURAL ADVANTAGES

Industrial leaders can come to London with their particular enterprise in the certain knowledge that London is a city in which they will enjoy living, in which they can rear their children among cultural advantages that are as nearly ideal as can be found in any city in Canada.

ECONOMICAL ADVANTAGES

LONDON, CANADA, is therefore a city that will appeal to executives and engineers who are acting for business, commercial, financial and industrial enterprises, and who are interested in economic advantages.

ALDERMEN

W. J. Ashton — T. W. Copp — T. J. Donohue — G. F. W. McKay
H. H. Bottrill — F. H. Curran — Frank Gray — A. W. Morrison
R. J. Carswell — James Donnelly — F. B. Kilbourne — A. M. Towe

J. BELL, *City Treasurer* — GEORGE HAYMAN, *Mayor* — S. BAKER, *City Clerk*

New Head Office Of Huron and Erie Is Fine Structure

London's Newest Business Building Houses Big Concern

FOUNDED IN 1864

Former Head Office Had Been Occupied Since Early Seventies — Record Reviewed

The new building of the Huron & Erie Mortgage Corporation at the corner of Clarence and Richmond Streets, was opened for inspection by the people of London on June 8. By its newness and its handsome style of architecture it is now a dominating feature, one of the chief show places of the city. It is occupied jointly, of course, by Huron & Erie and the Canada Trust Company, which the former controls.

The day of moving was a proud one for the corporation and its employees, many of whom had spent a lifetime in the service of the organization. Since the early seventies the company had occupied continuously the old quarters on Richmond Street, long over-crowded and inadequate for the convenience of both staff and customers.

Founded in 1864

Huron & Erie was founded in London in 1864. Its capital at that time was $13,900. Now, sixty-seven years later, the new massive structure houses a corporation with a paid-in capital and reserve fund which total $7,800,000, while the combined assets of the Huron & Erie and its subsidiary, the Canada Trust Company, exceed $75,000,000. Huron & Erie is one of only eleven financial institutions in Canada having a paid-in capital of $5,000,000 or more.

Huron & Erie's new building was erected in a few days over ten months, by Goggin & Ripley, of New York and Toronto. The architects were Watt and Blackwell. The site chosen was that of the old London Loan building.

The building is of nine stories, with basement. Five of these floors are occupied by tenants. The top is flood-lighted and surmounted by a power airport beam having a maximum beam candle power of 11,500,000. The total cost was approximately three-quarters of a million dollars.

No Tellers' Cages

In all details both as to construction and equipment, the building is an excellent piece of work. An interesting detail is the open arrangement of the ground or banking floor, the absence of tellers' cages following the modern trend for this class of building.

Huron & Erie carries on the business of lending money on first mortgage security, and operates deposit and debenture accounts, in Ontario and Western Canada. The company owns its office premises in Toronto, Winnipeg, Windsor, Chatham, St. Thomas, Hamilton, and four buildings in London besides the head office.

The history of the corporation reflects a steady growth. Its early name when incorporated in 1864 was the Huron and Erie Savings and Loan Society. Eleven years later it was changed to the Huron and Erie Loan and Savings Company, and to its present form in 1915.

Acquired Many Companies

In 1865 the company amalgamated with the London Permanent Building and Savings Society and absorbed the Western Counties Building and Savings Society in 1866.

The Canada Trust Company was formed as a subsidiary in 1899 to carry on the business of trustees and executors.

The capital stock of the Huron & Erie was reorganized in 1906, when an amalgamation was effected with the Canadian Savings and Loan Company.

The Hamilton Provident and Loan Corporation, organized in 1871, was acquired in 1926; also the Southern Loan & Savings Company, of St. Thomas, in 1927. In 1929, the assets of the London Loan and Savings Company of Canada, incorporated in 1877, and its subsidiary, the Consolidated Trusts Corporation of Ontario, were purchased.

Assets of the corporation as at December 31, last, were $47,090,877, as compared with $43,913,042 one year previously. Surplus for 1930 was $111,615, as compared with $107,088. in 1929.

Net profit over the past six years was:

1925	$497,796	1928	$490,712
1926	518,440	1929	507,088
1927	486.501	1930	511,615

Officers and directors are as follows. Hume Cronyn, president; Hon. S. C. Mewburn, vice-president; Morley Aylsworth, general manager; D. McEachern, secretary; C. J. Clarke, treasurer; H. W. Givins, superintendent of Western branches.

Directors: T. G. Meredith, chairman; Hume Cronyn, Morley Aylsworth, H. E. Gates, George H. Belton, N. R. Howden, Col. Ibbotson Leonard, V. P. Cronyn, all of London; Hon. S. C. Mewburn, Hamilton.

London Ranks High As Bank Centre

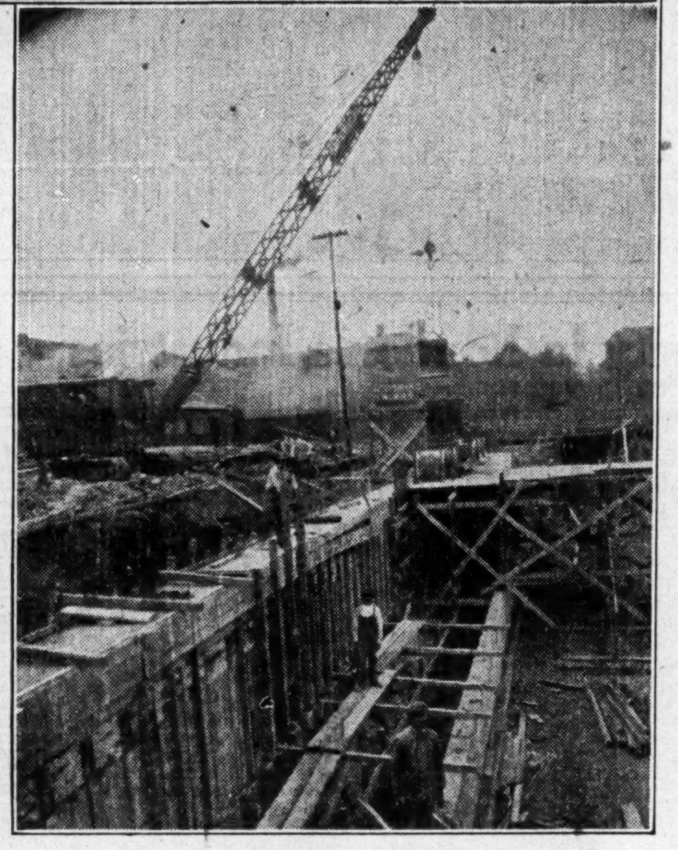
London is the fifth bank centre in Ontario, and the twelfth in Canada. Bank clearings follow:

1908	$ 56,785,041
1910	67,154,567
1915	89,774,787
1920	192,157,969
1921	161,956,960
1922	147,788,000
1923	147,787,996
1924	140,877,932
1925	136,640,609
1926	142,856,910
1927	167,984,864
1928	180,871,281
1929	183,917,736
1930	168,047,076

Progress at Abitibi Canyon

The Abitibi Canyon hydro-development of the Ontario Power Service Corporation is entering the second main phase of construction. A party of officials who recently visited the site on the Abitibi river north of Cochrane, found that no conditions have developed in the progress of the work to interfere with completion by October 1st, next year.

C. N. R. Project Involves $3,600,000 Expenditure



Railway construction affecting both terminal facilities and grade separation has been an important factor in London's building programme in the past year and a half. Here are two views of the $3,600,000 C. N. R. grade separation undertaking, now going forward. The upper photo shows subway construction at Richmond Street crossing and the lower one the progress made at the subway at Wellington Street.

TURN OF CENTURY SAW BEGINNING OF CAN. TRUST

Huron & Erie Subsidiary Now Housed in New Building

In 1899 the Huron & Erie Loan and Savings Company, which later on became the Huron & Erie Mortgage Corporation, and was then established thirty-five years, formed the Canada Trust Company. The new company acquired the charter of the General Trust Corporation of Canada.

Canada Trust Company has prospered in proportion to its parent, and now shares with it the honor of ownership and occupancy of London's newest office structure.

The company executes trusts, and performs and exercises all the powers, duties and functions of trustees.

Following are the total assets, net earnings and surplus for recent years:

	Total Assets	Surplus	Net Earnings
1915	$6,271,869	$57,009	$117,003
1920	11,038,023*	24,885	164,396
1925	17,174,766	18,848	129,876
1929	29,068,626	30 887	148,508
1930	27,947,085	32,081	148,915

Net profits for 1930 were $132,081, as compared with $130,887 in 1929, and $108,848 in 1925.

Canada Trust Company shares offices with the Huron & Erie at fifteen branches in six of the Canadian provinces. In May of this year a new office was opened in Montreal to supervise its growing mortgage business in that city.

Officers are as follows: Hume Cronyn, president; H. E. Gates, vice-president; Morley Aylsworth, general manager; D. McEachern, secretary; C. J. Clarke, treasurer; H. W. Givins, superintendent of Western branches.

Directors: T. G. Meredith, K.C., chairman; Hume Cronyn, V. P. Cronyn, H. E. Gates, Morley Aylsworth, George H. Belton, N. R. Howden, Col. I. Leonard, D.S.O., all of London; A. R. Bartlet, K.C., Windsor; J. B. Davidson, St. Thomas; C. H. Houson, Chatham; S. F. Washington, K.C., Hamilton.

London Life Company Boosts City's Name Across Dominion

Another Native Institution With Nation-Wide Connection

FOUNDED IN 1874

Number of Policies Now in Force Total Over Half Million—Growth Steady

London has been well served by its native institutions, among which the London Life Insurance Company is one of the most outstanding.

Its charter, obtained in 1874, authorizes it to operate in Canada and Newfoundland, and its success has impressed the name of its home city of London across the length and breadth of the sister Dominions.

London Life, when its industrial business is included, has the distinction of being the second Canadian life insurance company in volume of new business written annually in Canada.

Has Half Million Policies

As at December 31 last, the total insurance in force, all classes, was $439,700,600 net, on 525,164 policies. A further $6,317,457 was reinsured. Double indemnity benefits apply on $31,004,752 of the net.

At the same date the number of policies in force was: ordinary department, 107,251; group, 433, covering 31,698 employees; industrial department, 417,480. The insurance in force was distributed as follows:

Ordinary	$255,507,574
Group	36,703,394
Industrial	147,489,632

As the figures indicate, the company transacts business on a broad basis. The original charter was granted to write ordinary non-participating life and accident business. In 1885, when the Dominion charter was obtained, the accident business was dropped in favor of participating business.

Industrial Added in 1887

An important step was taken in 1887, when industrial, or weekly premium insurance, was added. This department contributes one-third of the total volume of business at present.

The first group, or staff-insuring business was written in 1919. This business, which later was given the benefit of accident and sickness features, has increased handsomely.

Comparative figures of business written in the past two years follow:

	1929 $	1930 $
Ordinary ins. issued (net)	45,537,104	48,039,583
Industrial ins. issued	53,814,903	53,658,764
Group ins. issued (net)	11,035,365	5 490,677
Total ins. issued	110,387,372	107,189,024
Ordin. ins. in force (net)	233,548,048	255,507,574
Indust. ins. in force	140,455,204	147,489,632
Group ins. in force (net)	33,324,379	36,703,394
Total ins. in force	407,327,631	439,700,600
Increase in amt. in force	55,285,554	32 872,969

Brief Highlights Of London Market

A recent check-up by the Chamber of Commerce of London showed that the city had:

11,650 automotive vehicles.
13,550 artificial gas meters.
16,460 artificial gas services.
17,715 water meters.
18,000 telephones.
18,720 dwellings.
19,816 electric services.
20,380 electric meters.
22,000 water services.

Net premium income over a six-year period has been as follows:

1925	$6,735,417	1928	$10,529,062
1926	7,980,526	1929	11,809,534
1927	9,162,102	1930	13,063,540

Policyholder Benefits

In the same period the total amount paid to policyholders or heirs, in the form of death claims (in all divisions), matured endowments, disability claims, annuities, surrender values and policyholders' profits, has been as follows:

1925	$1,927,887	1928	$3,806,971
1926	2,393,607	1929	4 690,350
1927	2,726,507	1930	5,832,700

Percentage analysis of London Life assets in its life branch at ledger value as at December 31 last, follows:

	%
Bonds:	
Government	7.1
Municipal	12.4
Other	2.9
Stocks:	
Preferred	...
Common	1.5
Mortgages	64.9
Real estate	1.2
Policy loans	10.0
Other assets	...
	100.0

The net average interest earned upon invested assets in 1930 was 6.46 per cent, as compared with 6.45 in 1929 and 6.50 in 1928.

Managed by Veterans

The company still is under the capable management of veterans in the insurance field. The president, John G. Richter, was appointed general manager as long ago as 1883, being succeeded in that office in 1920 by Ernest E. Reid.

Officers are: J. G. Richter, F. A. S., president; W. M. Spencer and J. Edgar Jeffrey, vice-presidents; Edward E. Reid, A. I. A., managing director; J. S. Lovell, F. C. I. S., secretary; J. D. Buchanan, F. A. S., actuary; Angus Graham, M. D., medical director; J. F. Maine, superintendent industrial agency; J. G. Stephenson superintendent ordinary agency.

Directors; J. G. Richter, W. M. Spencer, J. Edgar Jeffrey, T. W. Baker, William Gorman, A. M. Smart (deceased), C. L. Jeffrey, A. McPherson, Edward E. Reid, all of London.

The company's handsome head office building, costing $1,000,000 and opened in 1928, is still one of the show places of London. Business already has outgrown it and some departments are housed elsewhere in the city.

ONTARIO LOAN HAS FINE RECORD OVER 60 YEARS

Pioneer Institution Now Has Assets of Nearly $13,000,000

The sixtieth annual report of their company has been presented to the shareholders of the Ontario Loan & Debenture Company, which was established and incorporated in 1870.

London has a generous share of companies, corporations and establishments of various kind, which came into being before or soon after Confederation, and consequently have both aided in and profited by the rapid development of the Dominion as a whole. The Ontario Loan & Debenture Company is one of the best examples of these pioneer institutions which have continued as mainstays.

The report of the directors, dated January 21, 1931, states that the year 1930 was one of substantial progress for the company. The issue of 5,000 new shares of capital stock the previous year, amounting to $250,000, was well received by the shareholders and all taken up and fully paid for. This additional capital was only part of the new funds received during the year, as savings deposits showed an increase of $203,333, and the total of the company's debentures increased by $526,318. Assets showed an increase over the previous year of $1,173,793. The net earnings for the year were given as $315,223; the total assets as $12,784,963; and the balance carried forward in profit and loss account, $41,876.

Many Executive Changes

In recent weeks the company has suffered the loss of several of its executives. First of these was C. R. Somerville, vice-president and director of the company, who died a few weeks ago. Then in the middle of July, A. M. Smart, president of the company, died after a lengthy illness, while only last week the death was annonced of Col. W. M. Gartshore, a director of the company.

At a meeting held July 21, John G. Richter was elected to the presidency, while J. M. Dillon was appointed vice-president. T. H. Main, manager of the company was elected to the board. Mr. Richter has for many years been a director of the company and is president of the London Life.

The late Mr. Smart was highly regarded throughout Canada, particularly in financial circles where he was well known through his successful direction of the Ontario Loan and Debenture Company, and his sound advice in the management of a number of other organizations with which he was actively connected.

The newly-constituted board is as follows:

Officers: John G. Richter, president; J. M. Dillon, vice-president; Thomas H. Main, manager.

Directors: J. M. Dillon, J. G. Richter, Arthur T. Little, T. H. Main and Col. W. M. Gartshore (deceased).

Brick Industry May Expand

Experimental work being undertaken in brick plants of Quebec and the Maritime Provinces may result in the manufacture of grey and buff colored bricks in this country, according to the Department of Mines. At the present time the great majority of all except red bricks are imported.

Earl A. Siegrist   Duncan A. Anderson

E. A. SIEGRIST & CO. LIMITED
Investment Bankers

Specializing in Government, Municipal and Corporation Bonds

SOUND INVESTMENT COUNSEL

We invite your inquiries for investment service

New Bank of Toronto Bldg. London, Ont.   Telephone Metcalf 3370

When you come to London You'll find Perrin's busy!

BUSINESS has been good for Perrin's this year. Following their policy of aggressive merchandising, new lines of biscuits and confectionery have been added and staple lines given new impetus.

Yes, people are eating more of Perrin's biscuits and confectionery this year.

D. S. Perrin & Co.
Limited
London   Canada

Biscuit makers since 1863

Answering the Query "HOW IS BUSINESS?"

The London Life has been pleased to publish its figures in answer to the general desire for information regarding business conditions.

During the eight weeks ending July 11, more than $19,000,000 of new insurance was purchased by Canadians in this Company. Coinciding with this favorable production is a substantial decrease in terminations of insurance on the part of policyholders.

The London Life is by far the largest life insurance company confining its activities solely to Canada.

Its investments are non-speculative, being chiefly in government and municipal bonds and mortgages on improved real estate. The bonds are of undisputed value. The mortgages have been so carefully selected that the interest arrears at the end of 1930 were only one-fifteenth of 1% of these investments—actually less than four days' interest.

The average rate of interest earned in 1930 on the Company's entire invested assets was 6.46%.

London Life Insurance Company

HEAD OFFICE - LONDON, CANADA

For over thirty-four years this company has successfully conducted its trust business upon principles which experience has proved to be as sound today as when adopted in 1896 by the founders of the institution.

Efficient service in any trustee capacity.

THE LONDON & WESTERN TRUSTS COMPANY LIMITED

Established 1896

Richmond Street, London

and at

TORONTO MONTREAL WINNIPEG SASKATOON EDMONTON CALGARY VANCOUVER

CANADA BISCUIT BUILT AROUND LONDON PLANTS

Leading Confectionery Firm Has Big Stake in City

EARNINGS IMPROVE

Working Capital Lower But Definite Progress Has Been Made Recently

Stability of London's huge industrial payroll is guaranteed by some of the largest and oldest establishments in Canada.

Among them is the Canada Biscuit Company, Limited, the head office of which is a very striking building on Dundas Street, near the eastern entrance to the city.

Two considerable units of this large Dominion-wide organization are native London industries. They are the McCormick Manufacturing Company, Limited, manufacturers of plain and fancy biscuits and confectionery, and D. S. Perrin & Co., Ltd., manufacturers of plain and fancy biscuits.

The McCormick plant was established away back in 1858 when London was in her teens, and the biscuits bearing this name, carrying also the Jersey trademark, have fed many generations of Canadians.

New Company in 1926

In 1926 the Canada Biscuit Company, Limited, was incorporated. In addition to the McCormick Co., four other concerns in Winnipeg, Moncton, Montreal and Edmonton were included. Shortly afterward another Edmonton plant was taken over, while D. S. Perrin & Co., Ltd., of London, was purchased in 1926.

The growth of McCormick company sales, prior to the merger, is indicated in the following figures: 1885, $221,133; 1900, $465,580; 1915, $1,333,902; 1925, $2,819,324.

Since the formation of the Canada Biscuit Co., Ltd., sales figures and financial statement have not been published. The combined sales figures for the seven years to Dec. 31, 1925, averaged $8,000,000.

It is of interest to note the relationship of the two London units of the Canada Biscuit Company to the whole organization, in the matter of assets. The value of the land, buildings, machinery and equipment, excluding delivery equipment, as of December 31, 1925, based upon the cost of reproducing the same new, after deducting depreciation for wear and tear and other reasons, was appraised at $4,734,640, consisting of:

McCormick Manufacturing Co., Ltd., including East London building lots and farm lands, and land at Montreal	$1,735,296
Montreal Biscuit Company	549,292
Paulin-Chambers Co., Ltd., Winnipeg, including branches	516,468
J. A. Marven Ltd., Moncton, including branches	389,726
North West Mill & Feed Co., Ltd., Edmonton	97,836
North West Biscuit Co., Ltd., Edmonton	415,959
D. S. Perrin & Co., Ltd., London, including Montreal and Winnipeg warehouses	1,030,061
	$4,734,640

1931 Profits Gain

It is learned on good authority that earnings for the year 1930 were 40 per cent ahead of the previous year. The bonded indebtedness of the company was reduced by about $80,000, through sinking fund purchases. As these were effected at below par, a substantial sum was added to the company's surplus account. Working capital has been depleted considerably in recent years, however.

Profits in 1931 are said to be somewhat above the 1930 level.

Officers and directors are: Frank A. McCormick, president; J. A. Marven and J. Farquharson, vice-presidents; H. V. Hansen, general manager; D. C. McNaughton, secretary-treasurer; F. Lawson, assistant secretary-treasurer.

Directors: Frank A. McCormick and D. C. McNaughton, London; R. D. Bell, Montreal; R. G. Ivey, London; C. P. Fell, Toronto.

One of London's Beauty Spots

There are few more attractive places in Canada than the River Thames as it winds through Springbank, London's suburban park and playground on the outskirts of the city.

Growth of University Is Post-War Phenomena

Although Started in 1878, Western University Really Owes Present Position to Results of Royal Commission Appointed 1920

By WALTER J. BROWN,
Executive Secretary, University of Western Ontario

It was in 1878 that the legislature decided to authorize the establishment of a university at London, Ont. The Church of England in the Diocese of Huron, under the inspiring hand of Bishop Hellmuth, became responsible for the project. There were active and ambitious personalities in control in those days and great schemes for general education were formulated. Apparently the idea expressed by Danton that "After bread, education is the first need of the people," had become the guiding principle in the minds of those in positions of influence.

The university was to be the centre of a group of institutions designed to give the people of Western Ontario the best and widest possible educational facilities. The university had as its first ambition the training of men for service in the church and to this end provided a course in arts for the divinity students enrolled in Huron College. The faculty of medicine found expression through the London Medical School. A faculty of law and a school for training in music were organized while preparatory schools for boys and girls were established.

Evil Times Arise

Later, the whole scheme fell on evil times. The College of Arts closed; Huron College withdrew its support; the Law School, because of opposition in the provincial capital, ceased to exist; the school for training in music assumed an independent attitude, while the preparatory schools gradually surrendered their promising careers and closed their doors. It was the Faculty of Medicine alone that held the field and continued its work with undiminished zeal and success, but the need for a university in Western Ontario was just as strongly felt as ever and the wise and public-spirited citizens of London increased their determination to find some means of reconstituting the university and provide the staff and equipment required.

Thus, after the elapse of a few years, the university began to function once more. Those in charge undertook the formidable task of enrolling students, providing teachers and equipment, while supported only by private subscriptions and meagre church collections. The burden was soon to prove intolerable. In the early days of the present century the Anglican church leaders in London and vicinity, realizing the difficulties of the situation, took the initiative and called into conference the citizens of London of all denominations concerning the status and future of the university. The result of these conferences was an appeal in 1908 to the legislature and a new constitution for the university. It ceased to be a denominational institution and came under provincial, municipal and public control.

From 1908 until 1920 the university made constant progress, but it had to establish not only its reputation for scholarship, but its place in the confidence of the people. It had struggled so hard for mere existence for so many years that the public for a time was reluctant to lend to it the necessary moral and financial support. Those in charge fully appreciating public feeling, proceeded with the greatest possible caution.

Health Institute Nucleus

In 1910 the Government of the province built the Hygienic Institute — now the Institute of Public Health—and later equipped it and handed it over to the university to operate. This was a most fortunate arrangement. It was with this newly built and well equipped scientific instrument of public service that the university was able to cultivate and gain public recognition and financial support. The war came in 1914 and made difficulties of its own. However, the classes were continued and gradually increased in size. The women remained while the men went overseas.

At the close of the war the classes in all departments filled to overflowing and the Board of Governors had a trying time manning and equipping the three faculties of arts, medicine and public health, in order to meet the needs of the numbers of returned soldiers who desired permission to complete their courses and procure degrees. In 1918 and 1919 the new medical building was erected and equipped at a cost of approximately $450,000. The City of London gave $100,000. The leading citizens of London contributed $150,000, while later the legislature gave $200,000. When it was completed, this plant was considered one of the best of its kind on the continent.

Royal Commission Appointed

In the summer and fall of 1920, it was decided to make an appeal to the public for financial support. It was practically impossible for the university to continue operation under existing conditions. Its classes, laboratories and libraries were accommodated in parts of the Huron College building, in old private residences and condemned school houses, in barns and other unsuitable and inconvenient buildings. Ultimately, sufficient pressure was brought to bear on the government of the day and a Royal Commission on University Finances was appointed to study the whole question.

The commission consisted of Dr. H. J. Cody, chairman, Sir John S. Willison, J. Alexander Wallace, T. A. Russell, A. P. Deroche, and C. R. Somerville, LL.D. The terms of reference were,— "(a) to enquire into and report upon a basis for determining the financial obligations of the province toward the University of Toronto and the financial aid which the province may give to Queen's University, of Kingston, and Western University; (b) to recommend such permanent plan of public aid to the said universities as shall bear a just and reasonable relation to the amount of the legislative grants to primary and secondary education, and (c) to make such suggestions on any of the above subjects as may seem in the opinion of the Commission to be desirable."

Recommendations Bring Action

The commission recommended that this university should receive a grant on capital account for buildings amounting to $800,000. The city of London added $250,000 and the county of Middlesex $112,000. These buildings provided much needed accommodation for the Faculty of Arts and were erected in 1922 and occupied in the fall of 1923. The University Act was revised and the name changed in 1923.

The grounds set aside for the university occupy, on the banks of the north branch of the Thames River a site of two hundred and sixty acres of beautiful park land. More than 10,000 trees have been planted. Playing fields, tennis courts, drives and walks have been laid out and developed. Considerable landscape gardening has been done, but the object has been to keep the grounds as free from artificiality as possible. It was intended that the buildings should appear to grow out of the grounds and that all walks, drives and other features should blend with the topographical characteristics. The landscape architects have endeavored to maintain the natural features of the site and as a result the grounds are particularly attractive and interesting to visitors.

How University is Governed

The university is under the management of two governing bodies — the board of governors, which is responsible for the business and financial administration of the University, and the Senate, which is responsible for its educational policy. The board of governors is a small body appointed as follows: four governors are appointed by the provincial government, four by the city of London and these eight appoint four more. The Chancellor of the university, the mayor of the city of London, the warden of the county of Middlesex and the president of the university are ex-officio members.

The senate is made up of representatives from the faculties and affiliated colleges, representatives from the board of governors, from the city council and school boards of London, one representative from each county council in the fourteen counties of southwestern Ontario, one representative appointed by the council of each incorporated city in the same fourteen counties. The principals of the continuation schools, high schools and collegiate institutes in these counties elect four members from their own number. One member is elected by the graduates of each faculty of the university and one from the graduates of each affiliated college or school. The senate fixes the standard of matriculation, approves of the syllabus of courses, arranges for the necessary examinations and confers degrees. The senate is responsible also for the development of extension work throughout the university constituency.

There are three faculties and five affiliated colleges. The university has no financial responsibility so far as the affiliated colleges are concerned. These colleges are,—Huron (Anglican), Waterloo (Lutheran), Alma (United Church), Assumption and Ursuline (Roman Catholic).

Successful Business Course

The faculties are,—arts, or arts and science, medicine and public health. Many people outside of university circles do not seem to understand what subjects are taught by a faculty of arts. In this instance the courses given cover such subjects as English, French, German, Spanish, Italian, Hebrew, Greek, Latin, Economics, Political Science, Law, History, Library Science, Mathematics and Astronomy, Philosophy, Religious Knowledge, Chemistry, Physics, Zoology, Botany and Geology. There are two special courses—one in Business Administration and the other in Secretarial Science. These courses are partially professional and are intended to assist in training graduates for immediate entrance into business. The success of these courses in recent years has been marked.

The Faculty of Medicine provides a six-year course in Medical Science which is comprehensive and thorough and is recognized as one of the best offered anywhere. The clinical facilities provided for the students in medicine are exceptional. Probably in no other centre and in no other school have the students the same opportunity to become thoroughly equipped to enter into the practice of general medicine. The research work that is being done by the Faculty of Medicine is also extremely helpful to the students taking post graduate degrees.

Health Faculty Distinctive

The Faculty and Institute of Public Health is probably the most distinctively public service department of the university. Nearly two hundred communities are directly served each year and the analytical examinations made for these communities, for boards of health, for hospitals, for medical practitioners, etc., aggregate nearly 50,000. In addition, the staff provides special instruction for approximately 500 students. The institute acts also as a branch laboratory for the Provincial Department of Public Health and in this way distributes thousands of units of insulin, antitoxin, etc., free of charge. The giving of post graduate courses in public health to doctors, nurses, hospital supervisors and instructors is a work that cannot be too heartily commended. There is every evidence that it is fully appreciated by the public.

Fine Student Body

The university is exceptionally happy in the character of its student body. A few facts will indicate its incomparable resources in this respect. For example, the vast majority of the students come from the fourteen charter counties of Western Ontario, including, of course, the cities in these counties. There are a few from the different provinces of Canada, all the other provinces being represented, a few from the British Isles, from the British West Indies and Newfoundland, and a number from the United States and other foreign countries, but practically 87 per cent of the students of the whole university come from Western Ontario. This area, as everyone knows, contains the purest Anglo-Saxon element on the continent of America.

When we examine the occupations of the parents of the students, we find that 16½ per cent are represented by professions, 22 per cent represented by agriculture, 38 per cent by commerce, 14½ per cent by labor, 4 per cent by civil service, while the remainder are unclassified. The enrolment figures of resident students for the last five years may be stated as follows:

1926-27	919
1927-28	950
1928-29	1,060
1929-30	1,207
1930-31	1,302

As the university was at one time an Anglican College, but is now undenominational, it may be interesting to know what percentages of the leading denominations are enrolled at the present time. These may be indicated as follows: Anglican 11 per cent; Baptist 4 per cent; Hebrew 1 per cent; Presbyterian 11 per cent; Lutheran 3 per cent; Roman Catholic 20 per cent; United Church 42 per cent. There are sixteen different denominations represented.

Mortality is Low

The university classes do not suffer great casualties. When the students enter they are carefully classified and then during the first three or four months receive the greatest possible attention from the members of the faculty. There are not many universities that can show that the total casualty list does not exceed eight per cent. In a recent annual examination 63½ per cent of the total student body passed each paper. In the Faculty of Medicine the percentage was 79.47 and in the Faculty of Public Health 100 per cent. With 1,374 students working for degrees at the present time and with the traditional standards that have made the reputation of this university, the prospects for its future are bright indeed.

Real Estate Transfers Maintain High Value

The amount of the consideration in London's real estate transfers, over a period of many years has averaged over 70 per cent of the assessed value of the property. In 1908 the relation of the consideration to the assessed value was 69.5 per cent; in 1920, 66.1 per cent; in 1922, 75.9 per cent; in 1925, 70.3 per cent; in 1929, 67.5 per cent; and in 1930, 69.8 per cent. The figures follow:

	No. of Transfers	Consideration
1908	967	$1,294,659
1910	906	1,568,624
1915	951	1,738,383
1920	2,608	6,924,992
1925	1,403	4,485,771
1929	1,152	2,877,772
1930	1,249	3,032,397

Where is London?

Longitude 81 degrees.
Latitude 43 degrees.
Altitude 848.8 feet (corner Richmond and Grosvenor).
Midway between Toronto and Detroit.
Midway between Buffalo and Detroit.
23 miles from Lake Erie, connected by its own railway.
98 miles from Cleveland.
443 miles from Montreal.
582 miles from New York.
384 miles from Chicago.
1,313 miles from Winnipeg.
On the King's Highways, No. 2, No. 4, and No. 22.

Hotel London Addition Gives 350 Room Capacity

The enterprise of the promoters of the Hotel London has been more than justified, judging by the success of the London Realty Company, which operates it, and the popularity the Hotel has achieved in its short existence of four years.

The management of Hotel London has been so uniformly able, and the need of such a fine modern hostelry so clearly demonstrated, that the city now outstrips many cities even larger, in its available hotel accommodation.

Evidence of this success is visible in the fine new addition made to the hotel this year, a wing uniform in construction and height now extending southward along Wellington Street. This addition increases the room accommodation of the structure by 120, bringing the total up to 350 rooms.

Since the operation of the new wing demand for space has continued, and profit is understood to be maintained at a satisfactory level.

Municipal Year Book is Valuable Compilation

Information about London, in most comprehensive form, is contained in the City of London Municipal Year Book, prepared by the City Clerk, S. Baker.

The 1931 copy of this ready manual of London is available at the Municipal offices.

In the preface Mr. Baker states that the book is prepared for the purpose of serving the citizens of London with information respecting their Municipal Government. He adds:

"The more interest the ratepayers take in the affairs of their city, the better will be the administration of their affairs."

SUCCESS!

Two Outstanding Evidences of McCormick Leadership

McCormick's ROYAL Assortment

McCormick's CHOCOLATE Assortment

INTRODUCED to the Canadian public within the past year these two McCormick Assortments have already achieved deserved popularity. Their success justifies the McCormick policy of continually developing new and attractive products and maintaining McCormick leadership.

McCormick Royal Assortment offers a selection of thirteen choice varieties of authentic English style biscuits in an attractive one-pound box.

McCormick Chocolate Assortment has proved a delightful innovation to chocolate lovers, whose name is legion. It contains a select variety of chocolate flavoured biscuits. Hostesses find them particularly useful with cold summer desserts.

Grocers and confectioners will supply you.

Made by

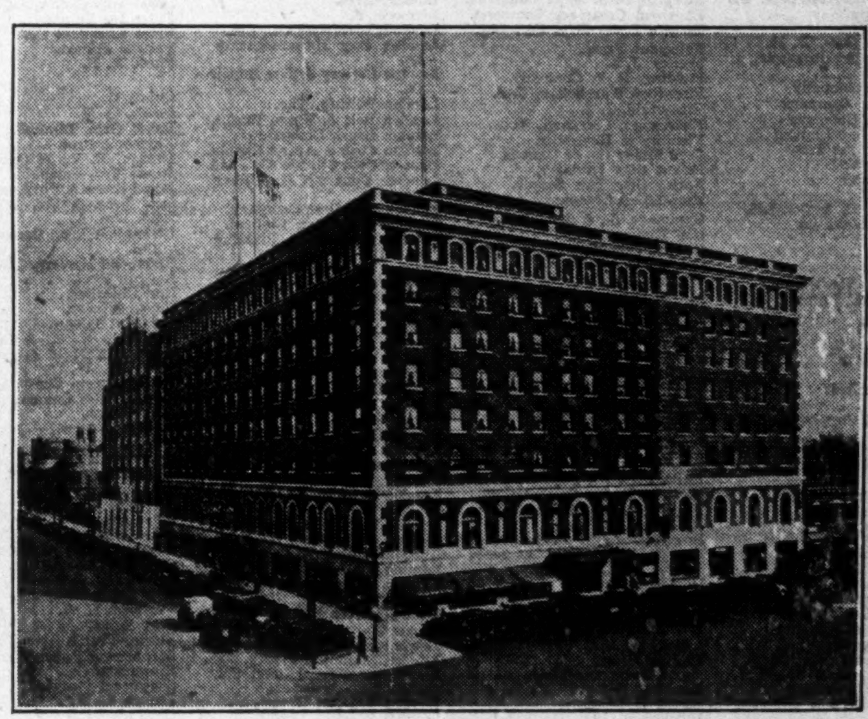
McCormick Mfg. Co. Limited
London, Ontario

Manufacturers of Canada's Finest Biscuits and Confectionery, including McCormick's Jersey Cream Sodas, McCormick's Royal Assortment and Sun Wheat Irradiated Vitamin Biscuits.

HOTEL LONDON

LONDON, ONTARIO, CANADA

ON THE MAIN HIGHWAY BETWEEN DETROIT AND NIAGARA FALLS



350 Outside Rooms — Rates $2.50, $3.00, $3.50, $4.00

GARAGE ACCOMMODATION — COFFEE SHOP — GOLF PRIVILEGE

R. A. LUSSIER, Manager

The University of Western Ontario

Established in 1878 — Reorganized in 1908

Renamed in 1923

The University is under provincial, municipal and public control. It is undenominational and coeducational. It has three faculties (Arts, Medicine and Public Health) and five affiliated colleges (one Anglican, one Lutheran, one United Church and two Roman Catholic). The Degrees granted are: B.A., M.A., B.Sc., M.Sc., LL.B., M.D., D.P.H., etc. There were nearly 200 degrees granted in May, 1931.

The courses in Arts run from three to five years.

The course in Medicine runs for six years.

The post graduate courses in Public Health and Nursing run for one and two years.

There are 1,374 regular students enrolled in degree courses. Two hundred are attending the summer school. Fifteen thousand people are reached through the Extension services.

The Research work being done by the University is of outstanding significance. Help to finance this work is being given by the National Research Council, by the Banting Foundation, by the Dominion Sugar Company and by the London Life Insurance Company.

Through athletics, field sports and physical education the University makes a direct contribution to the health and physical welfare as well as psychic development of every school boy and girl in Western Ontario.

City's Industrial Growth Goes Steadily Forward

Annual Wage Bill Has Increased by Over $500,000 in Past Four Years

The record of London's steady advance, despite generally adverse conditions, speaks well for the soundness and stability of her industries.

As in previous years, the city's course during 1930 was consistently forward. This progress for four successive years has added to London the equal of a new industry with 367 employees, receiving in wages over $584,735 each year of that period.

A glance at the figures below shows how definite progress has been. They are drawn from the last available report of the census of industry division of the Dominion Bureau of Statistics, and are for 1929.

As the figures indicate, London has experienced an increase in the number of industrial employees, in the amount of wages paid to them, in the cost of the materials used in industry, in the amount of capital industrially employed, and in the value of the products fabricated.

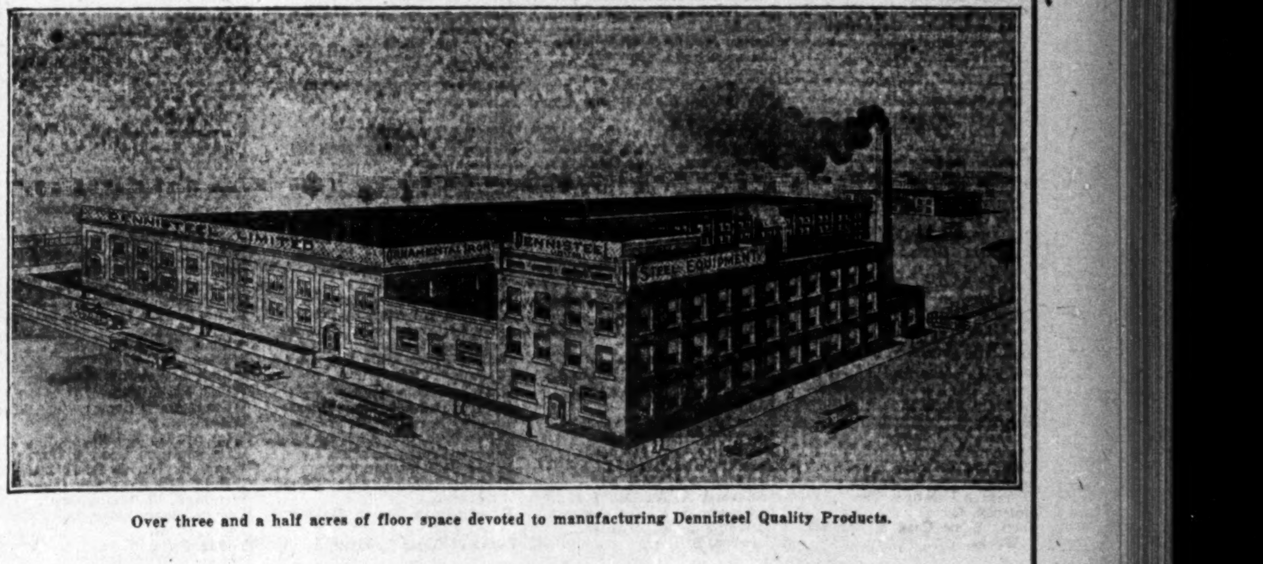
Record an Enviable One

The record indeed is an enviable one. Its explanation undoubtedly lies in the all-round development of the city, as a manufacturing and industrial centre, as an important market and distribution centre, as a centre of abundant capital, as a well administered municipality, and as a satisfactory place to live and work.

It is interesting to remember that London ranks third among the cities of Ontario in the number of its industrial employees. Toronto, the first, has ten times London's population, and Hamilton, the second, more than double.

Industrial Growth of London, 1929

No. of establishments	231
Previous report	227
Gain	4
No. of employees	10,134
Previous report	9,716
Gain	418
Wages paid	$11,996,633
Previous report	11,425,574
Gain	$ 571,059
Cost of materials used in industry	$21,102,010
Previous report	20,878,152
Gain	$ 223,858
Capital employed	$47,413,765
Previous report	45,123,339
Gain	$ 2,290,426
Value of products (at works)	$50,346,329
Previous report	48,337,680
Gain	$ 2,009,149



Over three and a half acres of floor space devoted to manufacturing Dennisteel Quality Products.

DENNISTEEL Quality Products are not made for the buyer whose policy is primarily "lowest prices." We have no quarrel with that policy, but rather ignore that particular market.

Most discriminating buyers know and appreciate the quality of Dennisteel Products which have been sold from coast to coast since 1868, especially those who must buy the best only for their plants. Leading architects specify Dennisteel Quality Products.

A great many of our orders are repeat orders.

Following are a few of Dennisteel Quality All Steel Products

Lockers. Lavatory and Shower Compartments. Storage Shelving. Bins and Library Stacks. Office and Warehouse Partitions. Electrotype Cabinets. Auto Parts. Storage Equipment for the Garage.

Write for interesting illustrated booklet on any of the above.

DENNISTEEL LIMITED

Montreal — LONDON — Toronto

London, Western Trust Has Able Directorate

Acquisition of Standard Trust Gives Company Offices in Leading Canadian Cities

Sound business management has been the keystone of the continuous progress of the London and Western Trusts Company, Limited, one of London's outstanding financial institutions.

Incorporated in 1896 to serve principally in the local field, the company consolidated its position, until, in the past few years, it has established offices across Canada. At the beginning of 1930 the company opened offices in Winnipeg, Saskatoon and Edmonton, as the result of taking over the business and assets of the Standard Trust Company, of Winnipeg. Other offices are maintained at Toronto, Vancouver and Calgary.

The company is fortunate in its able, conservative management, and in a board of directors composed of leading financial men known throughout the Dominion.

Leading Business Men

Officers are: A. T. Little, chairman of the board; W. W. Evans, president; Rt. Hon. Arthur Meighen, vice-president; John S. Moore, general manager.

Directors are: G. Montagu Black, Winnipeg; C. H. Carlisle, Toronto; C. V. Cummings, Vancouver; R. T. Evans, Winnipeg; W. W. Evans, Toronto; George C. Gunn, Ray Lawson, Arthur T. Little and A. McPherson, all of London; Rt. Hon. Arthur Meighen, Toronto; John S. Moore, London; J. Allan Ross, Toronto; A. M. Smart (deceased) and C. R. Somerville, London; General J. W. Stewart, Vancouver; C. O. Stillman, Toronto; W. J. Blake Wilson, Vancouver.

The company's profit and loss account for the year ending December 31, 1930, is as follows:

Balance forward	$23,159	
Net earnings	91,966	
		$115,125
Disposed of as follows:		
Dom. inc. tax (reserved for 1930)	$10,759	
Dividends (9% per annum)	103,125	
		113,884
Balance forward		$1,241

The company enjoys a highly satisfactory liquid position, more than 27 per cent of the total assets in capital accounts being represented by cash or liquid securities. There are no liabilities to the public by way of deposits while guaranteed investment funds are just over $1,000,000. Assets appear in the balance sheet at $42,132,522.34.

Reserve Fund Drawn On

The report of the president, W. W. Evans, for the last calendar year contains the following:

"Recognizing the adverse conditions which developed during 1930, and the consequent shrinkage in and obscurity as to realization values, more particularly of some of the assets acquired from the Standard Trust Company, it has been deemed wise to bring from the reserve fund an appropriation of $275,000, which is considered more than ample. The assets affected are taken from the balance sheet only at the reduced values thus brought about. With these adjustments, the paid-up capital of the company stands at $1,174,210, and the reserve fund at $849,210. Your directors believe that a very careful and conservative policy is warranted and have made the above liberal provision in pursuance of such policy."

In view of the above figures it is interesting to recall that the capital of the company in 1900 was $100,000, there was no reserve fund, and the assets under administration totalled $500,000.

Six years later, in 1926, the capital had grown to $500,000, there was a reserve of $375,000, and the assets administered were valued at $19,129,216.

At the end of 1929, the gross assets of the company were $36,685,828, which in itself was an increase of more than $3,400,000 in the year.

Building Permits Gained During 1930

Despite the reduced cost and volume of building in Canada last year London recorded a good gain for the year in value of building permits issued. Here are figures going back to 1910.

Year	No. Permits	Value
1910	882	$ 805,074
1915	1235	1,207,630
1920	1190	2,146,305
1921	1463	2,527,510
1922	1752	2,605,630
1923	1730	3,261,065
1924	1511	2,113,500
1925	1327	2,389,800
1926	1210	3,621,200
1927	1085	2,814,950
1928	1122	2,561,705
1929	1060	2,408,900
1930	1040	2,744,735

Brick Production Last Year But Two-Thirds 1929 Peak

Production by the sand-lime brick industry in Canada for 1930 was 30 per cent below the figure, for 1929, and the value of output, $671,301, was the lowest for industry since 1926. This includes sand-lime brick and ready mixed mortar and plaster. Output of sand-lime brick alone in 1930 was 52,770,000 valued at $567,022 as compared with 78,361,000, value $953,726, in 1929.

Conditions in the sand-lime brick industry follow closely the trend in building activity. For residential buildings, construction reached a peak value of $139,000,000 in 1928, dropped 8 per cent in the following year and another 27 per cent in 1930 to $93,000,000. Building permits for residential and business properties, including apartment houses, churches, garages, hospitals, warehouses, etc., declined 24 per cent in 1930 from the high point of $319,000,000 reached in 1929.

Conditions in West Better Says Pres. of Montreal Life

Indications based on the life insurance business in Regina during May and June this year presage the end of the depression, according to a statement of A. P. Earle, president of the Montreal Life Insurance Co. at Saskatchewan recently.

"Conditions in the west are quite heartening," said Mr. Earle, "when I see that all the courage of the westerners is not lost."

BANK COMMITTEE SUBMITS REPORT ON WORLD ILLS

Finds U. S. and France Not Blameless—Own Banks Criticized

Report of the MacMillan committee, recently issued in London, England, brings into the limelight the position and responsibility of the banks in connection with the world depression. The findings are the more valuable by reason of their practically representing the unanimous views of the committee, one dissenting vote alone being recorded.

Recommendations of the committee, which was named in 1929 by the Chancellor of the Exchequer, Rt. Hon. Philip Snowden, are introduced by many criticisms of banking customs and practices which have heretofore been condoned, while France and the United States are criticized in a section of the report dealing with the gold standard.

An immediate necessity is seen to exist for the raising of world prices above the present level toward that of 1928, to attain which object "the monetary system of this country must be a managed system under the authority of the Bank of England." The forces at the disposal of that institution require to be augmented, giving it greater freedom of action by supplementing the fiduciary circulation and making it compulsory that the Bank of England keep a minimum gold reserve of say £75,000,000.

Recommends Co-operation

The committee further recommends international co-operation between central banks to maintain stability of international prices both over long and short periods by means of frequent conferences in order to "decide whether the general tendency of their individual policies should be toward relaxation or tightening of credit conditions."

Central banks are adjured to favor a persistent and determined policy to maintain an abundance of cheap domestic credit and to persuade member banks to reduce interest rates on deposits to discourage the public from withholding their resources from the investment market.

"Window dressing" by banks is deprecated, the term including the habit of presenting figures of deposits as at December 31 each year, that being a favorable time, when about £350,000,000 in excess of the normal average is shown. This is attributed to nothing worse than vanity, but is "not creditable to the banking system."

Discusses Gold Standard

Lord MacMillan's committee gives the following reasons to explain — to some extent — the fact that the anticipations of those responsible for Great Britain's return to the gold standard have not been wholly fulfilled:

The lending power which has passed to France and the United States has only been used spasmodically by those nations, and adversely to Great Britain, which, formerly the leader, had the most highly developed organization for the purpose of lending. Receipts have not been used, as Great Britain used them, to purchase additional imports or in making additional long-term foreign loans. On the contrary they have required payment of the larger part of their annual surplus either in actual gold or in short-term liquid claims.

Finance Corporation Discussed

The report discusses a proposal for a huge finance corporation, to underwrite international and domestic flotations with the view of broadening channels in which easy credits might be used to expand industry. In general this project receives the blessing of the committee.

In Great Britain there is a need for closer co-operation between finance and industry in emulation of American and German competitors, the committee found. All measures discussed for giving impetus to British exports are set forth with qualifications, but sympathetic phraseology is accorded to a uniform tariff on all imports and an equal subsidy on all exports.

Recommendations Summarized

The following recommendations are contained in the report, briefly:

(1) That the international gold standard be maintained.

(2) That Great Britain use her influence to lower the international value of gold in terms of wholesale commodities.

(3) That after prices have been raised sufficiently they should be stabilized.

(4) That foreign loans should be made on a greater scale by the leading creditor countries.

Lord Bradbury alone among his eminent colleagues dissents from the report. His findings give many causes for Britain's economic troubles—almost all of which, he thinks, lie outside the domain of banking, finance and credit.

Building Active in Winnipeg

More than 260 new dwellings, representing an aggregate value of over $1,133,800, have been built in Winnipeg to date this year. Warehouses and factories follow residences in value, and five under this classification were built at a valuation of $614,000. Six apartment blocks, representing a total investment of $595,000, are in process of construction. The total amount invested in new buildings to date is $3,339,650.

Population Growth Has Been Consistent

Steady and amazingly consistent growth has featured the population trend of London for many years. Here are figures compiled over a considerable number of years:

Year	Population
1848	4,668
1851	7,035
1861	11,551
1871	18,000
1881	26,266
1891	31,977
1901	37,976
1911	46,300
1921	60,959
1927	66,132
1928	68,404
1929	69,742
1930	71,310
1931 (estimated)	73,000

Many Investment Bankers Do Business in London

Many leading investment banking houses are represented in London, there having been several additions to the brokerage fraternity within the last year or so. For instance last year Thomson & McKinnon, well-known brokerage house took over the firm of Jones, Easton & MacCallum and now operates its own offices in the Western Ontario city. About the same time, Watling, Lerchen & Hayes, a leading Detroit firm, opened offices in London under the management of Irving Benton.

Leading Toronto firms are represented by R. A. Daly & Co. who maintain an office there, as do Dominion Securities Corp. Kippen, Newton, a Montreal brokerage house, also are represented, while several local firms such as Midland Securities Co., and Isard Robertson also carry on a substantial business in this important financial centre.

Products of Dennisteel Reach All Parts of Canada

One year younger than Canada, Dennisteel Limited, a London enterprise dating back to 1868, is continuing as one of the solid industrial plants of the Forest City.

The products of this strong, progressive organization are steel lockers, steel partitions, steel shelving, steel cabinets, compartments, ornamental iron, brass and bronze work and a variety of wire products.

The plant occupies 3½ acres of floor space.

Branch offices are maintained in Toronto, Montreal, Quebec and Hamilton, and sales agencies in all the principal cities of Canada.

E. A. Siegrist Forms New Investment House

One of the recently formed investment banking firms of London, transacting a general bond business, and specializing in Canadian government, municipal and corporation bonds, is E. A. Siegrist & Company, Limited. The company's offices are in the new Bank of Toronto Building.

Principals are Earl A. Siegrist, and D. A. Anderson. Mr. Siegrist has been with Greenshields & Company, the Royal Securities Corporation, and latterly was a member of the firm of Isard, Robertson & Company, investment bankers, London. Mr. Anderson also has been associated with Isard, Robertson & Company.

THE ONTARIO LOAN AND DEBENTURE COMPANY

London - - Ontario

INCORPORATED AND ESTABLISHED 1870

SAVINGS DEPOSITS — DEBENTURES

The Company's Debentures are a legal investment for Trust Funds, which may also be deposited in the Company's Savings Department.

MORTGAGE LOANS

Money loaned on First Mortgages, including building loans.

Sixtieth Annual Statement — Year ended 31st December, 1930

ASSETS

Office Premises and other Real Estate		$ 60,540.67
Mortgages		10,712,490.83
Loans on Stocks and Bonds		189,770.38
Securities of United Kingdom, Dominion and Provinces of Canada, Canadian Municipalities and Securities guaranteed by Dominion and Provinces of Canada		1,581,004.48
Cash in Chartered Banks		236,540.73
Cash in Office		4,615.64
		$12,784,962.73

LIABILITIES

To the Public:—		
Debentures—Sterling and Currency		$ 6,392,147.43
Deposits		1,059,155.24
Other Liabilities including provision for Dominion Income Tax accrued but not due		31,784.10
		7,483,086.77
To the Shareholders:—		
Capital Paid in		2,000,000.00
Reserve Fund		3,200,000.00
Quarterly Dividend payable 2nd January, 1931		60,000.00
Profit and Loss Account, Balance carried forward		41,875.96
		$12,784,962.73

SUMMARY

ASSETS—		
Investments and Cash		$ 12,784,963
LIABILITIES—		
Debentures and Deposits	$7,451,303	
All other liabilities including quarterly dividend to shareholders due and paid 2nd January, 1931	91,784	
		7,543,087

Surplus Security for Depositors and Debenture Holders - $5,241,876

Offices: — Dundas Street at Market Lane, and Market Square at Market Lane, London, Ontario

Saskatchewan Butter Output Gains

Saskatchewan's production of creamery butter for the first four months of this year totalled 4,331,904 pounds, an increase of 1,512 pounds over last year.

Record Hay Crop Indicated

An increase of one-third over the average figure will this summer bring New Brunswick's hay yield to almost 1,000,000 tons, the largest crop ever grown in the province.

Industrial Production Gains

Industrial production in Western Canada has now reached a total of $629,917,000. In the period 1925 to 1929 an increase of over $171,000,000 is shown.

London's Manufacturers Imposing List

Alexandor, A. J., Ltd.
Allport, E. H.
American Dry Cleaning & Dye Works
Anderson Industries, Limited
Anglo-Canadian Hat Mfg. Co.
Anthistle, Wm.
Anundson, Alfd.
Appleby Company, W. H.
Appleford Paper Products
Appleton & Son, F.
Art Novelty Company
Art Printing Company
Artificial Ice Company
Ash-Temple Co., Limited
Ashman, T. J., & Son.
Auto Supply Co.
Badalato, Sam'l
Baker, Frank
Baker, Thos. H. & Co., Ltd.
Baldwin Garment Co.
Banbury, L. S.
Banks, John
Barnard, J. S.
Beatty Bros., Limited
Belton, Geo. H., Lumber Co. Ltd.
Bexton, Sam'l
Biggs, Walter H.
Birdland Society
Bland, R. R.
Boomer's Limited
Breen, Jas.
Brick Mfg. & Supply Co., Ltd.
Bridle Bros.
Brighton's Bakery
Brock, W. A.
Brownlee, J. A.
Bureau of Engraving
Cadman, J. A.
Cadman, Wm. W.
Calcott & Fisher
Campbell Hosiery
Campbell, J. H.
Campbell, John
Canada Biscuit Company—McCormick Plant, D. S. Perrin Company
Canada Bread Co., Ltd.
Canada Overall Company
Canada Pharmacal Co., Ltd.
Canada Rug Company
Canada Smelting & Refining Works
Canada Vulcanizer & Equipment Co.
Canadian Cartage & Storage Co., Ltd.
Canadian Kickernick Co.
Canadian Liquid Air Co., Ltd.
Canadian National Railways Company
Carling Export Brewing & Malting Co.
Carson, Jas. & Sons
Carter, The A. J. Mfg. Co.
Carter Tent & Awning Co.
Catholic Record
Chamberlain Desolvo Co. Ltd.
Chapman, Chas., Company.
Charcoal Supply Co.
Childs, J. A. & Son
Chisholm, A. P.
Chivas, J. M.
City Creamery
City Dry Cleaners and Dyers
City Gas Company
Clark, Fred J.
Clatworthy Lumber Co.
Coco-Cola Co. of Canada, Ltd.
Coleman & Company
Columbia Handle & Lumber Co., Ltd.
Consolidated Optical Company
Cor Deste Garments
Cotterill, A.
Creighton, Jos., Woodwork Co.
Cunningham, Benj.
Curnoe, John.
Cushing, Wm.
Darch, J. & Sons.
Dayman, W. H.
Dean & Company.
Dean's Dry Cleaning Works.
Delaney, W. T. C.
Dennisteel, Limited.
Dexter, T. & Son.
Dobbyn, A. B.
Dominion Bakery.
Dominion Gas Meter Co.
Dominion Printers, The.
Downey, L.
Durst Show Case & Cabinet Works.
Dunn, G. Frank.
Dwyer, Geo. E.
Dyment-Baker Lumber Co.
Dyson, C. A.
Edward, Thos.
Edwards Bros. Glass Company.
Elmwood Creamery Company.
Empire Brass Mfg. Co., Ltd.
Fairmont Press.
Feeney J. J.
Fielding, R. F. Company.
Fireproof Warehouses, Ltd.
Fitzgerald, T. J.
Fleischman Company, The.
Fleming & Houghtby.
Ford Motor Co. of Canada.
Forest City Laundry.
Forest City Tire Repair.
Fraser Cap Company.
Gammage, J., & Sons, Ltd.
Gee Studios.
General Steel Wares Co., Ltd.
Gerry, Wm., & Sons.
Gilchrist Lumber Co., Ltd.
Gillies, D. H., & Son.
Gilmore, David.
Gilson Mfg. Company.
Glen Bros.
Globe Casket Co., Limited.
Gorman, Eckert & Co., Ltd.
Good Health Food Co., Ltd.
Graham, W. H.
Greene-Swift, Limited.
Greer A. B., & Sons.
Gurd, J. R.
Gurd, Wm. A., & Co.
Halls, Fred W., Paper Co., Ltd.
Hay Stationery Co., Limited.
Hayden Press, Limited.
Heighway, A. W.
Helena Costume Company.
Henderson Printing Company.
Henry, J. B., & Son.
Hertel, F. B.
Hobbs, Jno.
Hobbs Manufacturing Co.
Holeproof Hosiery Co. of Canada, Ltd.
Hollins Press.
Home Dairy Company.
Hopkins, Richard.
Hourd & Company.
Howard, J. H.
Howard Printing Company.
Hunt, J. F.
Hunt Milling Company.
Hunter Printing Company.
Hygrade Corrugated Products Co., Ltd.
Hyman, C. S., Co., Ltd.
Hyman Leathers, Limited.
Ideal Bakery.
Ideal Furniture & Upholstering Co.
Imperial Optical Company.
International Druggists & Chemists Laboratories Inc.
International Harvester Co. of Canada.
Italian Mosaic & Marble Co.
Jackson Bread, Limited.
Jackson, Jas.
Jackson The Cleaner.
Jenkins, W. A., Mfg. Co.
Jensen, Andrew.
Johnston, J. H.
Jones Box & Label, Limited.
Jones, Chas. F., & Company.
Jones, H. J., Sons, Limited.
Jones, John.
Jones, Sid.
Jones, W. T.
Jordan, L. G.
Keen, William C.
Kellogg Company of Canada, Ltd.
Kelvinator of Canada, Limited.
Kennedy Auto Tops.
Kernohan, G. N., Lumber Co., Ltd.
Kilbourne, H., & Son.
Kingstone, William, Limited.
Kleeno Kwality Kloths Co.
Knight, Jethro.
Knowles, Arthur.
Knowles, T. M., & Co.
Kuntz Brewery, Limited.
Labatt, John, Limited.
Lac-Mac Mfg. Company.
Langford, A. A., Co., Ltd.
Lawrason, S. F., & Company.
Lawson & Jones, Limited.
Lawton, B.
Leach, C. J.
Leff, W., & Co.
Legg, Stanley.
Leonard, A. G.
Leonard, E. & Sons, Ltd.
Lindsay Bros.
Lizmore, F.
London Advertiser Co., Ltd.
London Bag Manufacturing Co.
London Battery & Tire Repair Co.
London Belting, The.
London Bolt & Hinge Works.
London Brush Company.
London Coat & Apron Supply.
London Cold Storage Co., Ltd.
London Concrete Machinery Co.
London Fertilizer Company.
London Foundries, Limited.
London Free Press Printing Co., Ltd.
London Garment Care.
London Gas Power Company.
London Glass & Paint Co., Ltd.
London Hide Company.
London Hosiery Mills, Ltd.
London Ice & Coal Co., Ltd.
London Lumber Co., Limited.
London Lumber Supply Co.
London Manufacturing Co.
London Marble & Granite Co., Ltd.
London Metal Products, Ltd.
London Paper Co., Limited.
London & Petrolia Barrel Co., Ltd.
London Printing & Litho. Co., Ltd.
London Pure Milk Co., Ltd.
London Refinishing Co.
London Rolling Mill Co., Ltd.
London Scale Works.
London Shipping Containers, Limited.
London Silver Plating & Repair Co.
London Soap Company, Ltd.
London Stencil & Stamp Wks.
London Structural Steel Co., Ltd.
London Vinegar Works.
London Winery, Limited.
London Wood Box Supply Co., The.
McCormick, Jas., Company.
McCracken Show Case Co.
McHugh, Chas. E.
McLeod Hosiery Mills.
McLeod, Nolan & Co.
McMullen & Wood Printing Co.
McMurray, Geo.
McNee, J., & Sons.
McNorgan, Jas.
Machine & Tool Co., Limited.
Magee Machinery Company.
Marley, C. E., Limited, The.
Marsh, E. N.
Martyn, L. H., & Co.
Meakins & Sons, Limited.
Middlesex Mills.
Middlesex Printing Company.
Miller Bros.
Milroy, S. K.
Mitchell Cooperage.
Mitchell Plumbing Supplies Co.
Mohr, Archie.
Morena Cigar Company.
Morren, E. L.
Morrison, D. M.
Murray, The, Shoe Co., Ltd.
National Novelty Company.
Newman, W., & Company.
Nobbs, A. & E.
North American Cigar Co.
Northern Bakeries, Limited.
Nu-Way Company of Canada.
Nut-Krust Electric Bakery.
Ogilvie Flour Mills Co., Ltd.
Olympia Candy Works.
Ontario Creamery, The.
Ontario Dry Cleaning Works.
Ontario Farmers' Drainage.
O-Pee-Chee Co., Limited.
Orange Crush, Limited.
Paper Utilities, Limited.
Parisian Steam Laundry Co. of Ontario.
Parnell-Dean Steam Baking Co., Ltd.
Passport Cigar Company.
Patrick, Geo.
Peckham, J. A.
Penman's, Limited.
Pettet's Pattern Works.
Phinn Brick Company.
Physicians Chemists Co., Ltd.
Polar Ice Company.
Price Chemical Co.
Price & Hawke.
Pugh, R. H.
Quick, C.
Quick, C. M.
Rapid Grip, Limited.
Raymond Bros.
Reason, H. T., & Company.
Regal Mfg. Company.
Regal Stove & Furnace Repair.
Reid Bros. & Co., Ltd.
Reid, Wm. A.
Richards-Wilcox Canadian Co., Ltd.
Richmond Hosiery, Limited.
Roman, Paul.
Ross, Limited.
Royal Winery.
Ruddy's Bakery.
Saunders, W. E., & Co., Ltd.
Scott & McHale, Limited.
Scott, W. W.
Service Lamp Company.
Service Sign Company.
Shaw, T. V.
Sherlock-Manning Piano & Organ Co.
Shuttleworth & Son, J. R.
Silverwood's, Limited.
Smith, F. B., & Co.
Smyth & Son.
Solomons, M.
Somerville Paper Boxes, Ltd.
Soverville Paper Boxes, Ltd.
Spettigue, The Tailor.
Sparton of Canada.
Spramotor Company.
Stafford, H. C.
Star Signs.
Steele, Frank.
Stephenson Paper Box Co.
Stevenson, Geo.
Stewart & Morkin.
Stokes, L. W.
Stott, J. E., & Co.
Strathcraft.
Sugarman, Frank.
Superior Machinery Co.
Supersilk Hosiery, Limited.
Supreme Malt Products.
Talbot, A., & Co.
Taylor Electric Co.
Thomas, G. H.
Thompson, F. H.
Thompson, L. E.
Thompson, W. J., & Sons.
Thorn, H.
Thuna, Doctor Balsam Remedies, Ltd.
Tripp, Benj.
Tune, Alfd., Limited.
United Bottlers, Limited.
United Paper Mills, Limited.
Universal Hat & Cap Co.
Venner & Sons.
Victory Products.
Walker, A. D.
Ward, Wm., & Sons.
Warren Bros.
Watson, G. J.
Watt Letter Service.
Weld, Wm., Company.
Wellmaid Candy Company.
Wells, Jas.
Wells Motors, Limited.
Wesley Engravers, Limited.
Western Fur Company.
Western Wire & Nail Co., Ltd.
White, Geo., & Sons Co., Ltd.
White, Ronald, D., & Associates.
Wilkes, Art.
Will, C. R., & Company.
Williams, H. R.
Williams Welding Works.
Willis, R., & Son.
Wilson, M., & Son.
Wilson, R. S.
Winnett, R., & Son.
Winterbottom, Geo., & Son.
Wray, R. W., & Company.
Wright Lithographing Co.
Wrighton, T. W., & Sons.
Yocum-Faust, Limited.
York, M. D.
Young Press.

KELVINATOR

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APARTMENT HOUSES

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COMMERCIAL INSTALLATIONS

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KELVINATOR OF CANADA LIMITED

London, Ont.

WESTERN FAIR

September 14th to 19th

LONDON — CANADA

By every indication, this year's attendance will surpass the record breaking numbers of last year. Western Fair was the only exhibition that had an increase in paid admission last year.

Exhibit your products to half-a-million prospective buyers, living in the wealthiest sections of the Dominion.

Modern, well ventilated, fireproof buildings insure adequate space and all conveniences for exhibitors.

Write the secretary for complete information.

J. H. SAUNDERS, *President* W. A. JACKSON, *Secretary*

The New Home that Confidence Built

The new structure at the corner of Dundas and Clarence Streets, London, Ontario, is, we feel, a credit to this prosperous city — the hub of Southwestern Ontario. It stands as an enduring symbol of the enterprise of a corporation that is "Older than the Dominion of Canada" and is dedicated to the promotion of financial prosperity for Canadians.

The Huron & Erie Mortgage Corporation

THE CANADA TRUST COMPANY

Combined assets over $75,000,000 Branches in Six Provinces

T. G. Meredith, K.C., Chairman of the Board Hume Cronyn, President

Maj.-Gen. the Hon. S. C. Mewburn, K.C., C.M.G., Vice-President, The Huron & Erie Mortgage Corporation

H. E. Gates, Vice-President, The Canada Trust Company

Insurance for Buyer and Seller

SUN GIVEN RIGHT TO BOOST CAPITAL BY PRIVY COUNCIL

Important Decision at London May Mean Split in Shares

NO DECISION YET

But Earlier Statement of T. B. Macaulay Indicates Desire of Company to Have Small Units

Judgment of the judicial committee of the Privy Council in allowing the appeal of the Sun Life Assurance Company in regard to its capitalization, gives that company the right to increase its capital stock from $2,000,000 to $4,000,000.

Through its original act of incorporation in 1865, capital stock of the Sun Life was set at $2,000,000, with power to increase this to $4,000,000. Subsequent amendments, however, gave rise to doubt as to whether the larger or smaller sum was correct, and this was first brought to a head in April, 1927, when the company placed a bill before the banking and commerce committee of the Federal Parliament asking for an amendment which would increase authorized capital from $2,000,000 to $4,000,000. In the intervening 50-year period the capitalization had been taken as $2,000,000.

Just what will happen now that the company has won the right to increase the capital stock to $4,000,000 is as yet a matter of conjecture. The intentions of the company will be made known, it is said, only when the decision of the Privy Council is laid before the board and the situation studied. However, it is of interest to recall some of the plans formulated in past years by the company when it was seeking to have its capitalization increased, and also to recall various statements made by T. B. Macaulay as to the company's position in this regard.

The most interesting plan for a new stock issue is the one submitted by the company in 1928 to the Federal Parliament when an increase in capitalization from $2,000,000 to $5,000,000 was sought. At that time the company planned the creation of $3,000,000 of new class "B" stock to be handled through the company's offices. That is to say, in any transfer of the stock that took place, (except by legacy, inheritance or donation), the directors would have complete and final authority to designate the purchasers or purchaser of the stock. Furthermore, the bill provided that no sale or transfer of any of the shares of the stock be allowed without the formal approval of the directors. The price of such stock was to have been estimated annually and established by resolution of the board of directors at the company's annual meeting. At the same time the company asked for conversion of its total capitalization to shares with the par value of $10, as against the then par value of $100. It was proposed to call or pay up 25 per cent of the amount subscribed on the new "B" shares.

The company failed, however, to obtain authority to increase its capitalization, although this was its second attempt. The first occasion was in 1927, when a straight increase from $2,000,000 to $4,000,000 was sought. Upon third reading of the bill, however, an amendment was passed by the Commons which provided that after the issue of any capital stock in excess of $2,000,000, no dividend to shareholders should be declared by the company in excess of 15 per cent per annum. Accordingly the company withdrew the bill.

Again in 1929 the company submitted a bill to Parliament, but an agreement was reached with the Dominion Department of Insurance to place the matter of confirmation of capitalization in the hands of the Exchequer Court. In June of the same year this court handed down a judgment that under its incorporation, amending acts, the company could not issue its capital beyond the sum of $2,000,000. This adverse decision was upheld by the Supreme Court of Canada in a judgment handed down April 10, 1930. Three out of five judges supported the decision, while Mr. Justice Duff and Mr. Justice Smith dissented.

Immediately the decision was announced, T. B. Macaulay stated that the company would appeal this decision to the Privy Council at London. At that time, in an interview with The Financial Post, Mr. Macaulay stated that his reason for desiring the increased capitalization, was so that a wider distribution of the company's stocks could be maintained.

"We have today," said Mr. Macaulay at that time, "some 305 shareholders in Canada and 355 in the United States. For a company of our magnitude these numbers are altogether too small. We should have at least 25,000 shareholders.

"Any such wide distribution of our stock will, however, be forever impossible unless we can secure additional shares. If we had the authority we could sell stock in small units to tens of thousands of our employees and policyholders. It would mean much to the future growth and prosperity of the company to have these armies of men permanently identified with this by the ownership of even very small blocks of stocks. Such a wide distribution would also mean much in the way of safeguarding the company against the possibility of undesirable control."

A further point stressed by the president at that time was to the effect that if the increase was granted by the Privy Council, "There will be no melon cutting, there will be no new stock issued at par or at anything even near par. Any new shares will be sold at a tremendous premium." He further stated that if the capital were increased, profits payable to shareholders would in no way be affected.

Ordinary Life Insurance

	1926	1927	1928	1929	1930	1931
January ..	$33,907,000	$36,986,000	$47,569,000	$49,739,000	$45,074,000	$41,188,000
February .	34,744,000	35,525,000	39,962,000	47,140,000	48,925,000	40,180,000
March ...	40,488,000	42,883,000	44,823,000	48,066,000	49,047,000	46,945,000
April	37,346,600	41,631,000	46,718,000	51,842,000	51,649,000	45,648,000
May	37,703,000	44,553,000	49,581,000	50,547,000	48,871,000	41,314,000
June	44,684,000	45,298,000	51,844,000	53,402,000	54,168,000	46,227,000
July	40,101,000	39,962,000	49,492,000	54,809,000	46,505,000	
August ...	36,010,000	38,360,000	43,508,000	41,329,000	36,249,000	
Sept.	34,878,000	35,000,000	38,872,000	43,013,000	38,994,000	
October ..	40,226,000	48,104,000	55,748,000	50,894,000	44,527,000	
Nov.	44,251,000	44,935,000	54,865,000	55,624,000	46,186,000	
Dec.	46,777,000	48,899,000	56,647,000	54,189,000	49,026,000	

Total first 6 months, 1931 .... $261,502,000
Total first 6 months, 1930 .... $292,734,000

Decrease, 14.66% .... $ 31,232,000
Decrease, June, 1931, from June, 1930 .... 10.67%

*Companies having in force 84 per cent of total outstanding business in Canada as at Jan. 1, 1930. New paid for, ordinary business only. Figures include both Canada and Newfoundland and are prepared by Life Insurance Sales Research Bureau, Hartford, Connecticut.

Way is Clear For Sun Life Stock Issue

From Our Own Correspondent

MONTREAL.—The recent decision of the Privy Council authorizing the company's capitalization at $4,000,000 instead of $2,000,000, as has hitherto been ruled by Canadian courts will enable the Sun Life to issue 20,000 additional shares which at current market levels have an approximate value of $24,000,000.

Officials of the company are retcent regarding any plans for issuing new stock. It is understood the matter has not yet come up for consideration, though a statement made by T. B. Macaulay to The Financial Post in April, 1930, intimated that there would be no melon-cutting in the event of a favorable decision from the Privy Council. Rather, he said, any new shares issued would be sold at a tremendous premium. Approximate quotations for Sun Life stock are $1,200 a share.

At present the $2,000,000 capital stock is fully paid up and is receiving dividends of 50 per cent a year on its $100 par value. These dividends comprise regular quarterly payments at the rate of $25 annually and a bonus of $25 a share.

Insurance Problems

Insurance questions of general interest submitted by subscribers of The Financial Post will be answered in this column. Other enquiries will be answered by mail. A two-cent stamp should be enclosed to cover a direct reply.

Three Good Companies

Will you kindly advise me as to the reliability of the following three fire insurance companies.

1. Economical Mutual Fire Ins. Co.
2. Merchants Fire Insurance Co., Toronto.
3. Royal Exchange Assurance of London, Eng.

The three companies you mention are strong, well established institutions, one of which, namely, Royal Exchange Assurance Co., is licensed under the Dominion Government at Ottawa, while the others are licensed under a provincial charter in Ontario.

Economical Mutual Fire Insurance Co. has its head office at Kitchener and has been doing business in Ontario for 50 years. It is one of four cash mutual organizations which have become famous in Western Ontario in the handling of risks on farm properties. It has something in the neighborhood of $50,000,000 of business on its books.

Merchants Fire Insurance Co. has its head office at Toronto and has been doing business since 1898. It is one of the leading Canadian fire insurance companies and the last report of the Superintendent of Insurance of Ontario showed the company to be in an exceedingly strong position.

Royal Exchange Assurance Co. has its head office for Canada in Montreal and is one of the leading British fire insurance companies doing business in Canada. It has been operating here since 1910, and the value of securities deposited for the protection of policyholders with the Government at Ottawa, alone amount to over $1,000,000.

Maritime Life Meeting
From Our Own Correspondent

MONTREAL. — Total business in force of $12,000,000 was revealed at the quarterly meeting of the Maritime Life Insurance Co. held recently. Hon. E. Albert Reilly of Moncton, chairman of the board, presided over the meeting.

Can. Life Insurance Sales 11p.c. Below First Half 1930

Sales of ordinary life insurance in Canada and Newfoundland during June declined 14.66 per cent from the June, 1930, figure, according to the monthly survey published this week by the Life Insurance Sales Research Bureau, of Hartford. Total sales of ordinary insurance for the first half year, as represented by the 15 reporting companies (which on Jan. 1, 1931, had in force 84 per cent of the total business in Canada) were approximately 11 per cent below those for the same period last year. Total business paid for was $46,227,000.

The decrease in sales for the six months was common to all provinces, although the West suffered to a rather greater degree than the East. Alberta and Prince Edward Island sales were but 73 per cent of the total for the first half-year 1930, Newfoundland 75 per cent, Saskatchewan and Manitoba 79 and 89 per cent respectively. Nova Scotia and New Brunswick made the best showing, with sales amounting to between 96 and 97 per cent of last year's figure, while Ontario and Quebec, where the bulk of the business written in the Dominion is placed, were 94 and 89 per cent respectively of the first six months of 1930.

New Brunswick Higher

Only one province showed an increase of sales for the month of June, New Brunswick being 3 per cent higher. Nova Scotia was practically the same as June a year ago. A big decline is reported from Prince Edward Island, where June sales were but 61 per cent of those for the same month last year. Alberta and Saskatchewan business stood at 69 and 70 per cent respectively, and Manitoba, 87 per cent. Ontario sales were 85 per cent and Quebec, 89 per cent of those for June, 1930.

Compared with the United States, the Canadian six months record continues to be more satisfactory. Business in the United States for the half year showed a decline of 16 per cent, while for Canada the decrease was less than 11 per cent. For June, however, Canada declined 15 per cent compared with 11 per cent for the United States.

Figures of Canadian sales by provinces are as follows:

	June sales	June Ratio 1931 to 1930	1st 6 Months Ratio 1931 to 1930
Alberta	$ 2,209,000	69%	73%
B. C.	3,384,000	89	83
Manitoba ..	2,988,000	87	89
N. B.	1,238,000	103	96
N. S.	1,844,000	100	97
Ontario	18,703,000	85	94
P. E. I.	184,000	61	73
Quebec	13,198,000	89	89
Sask.	2,092,000	70	79
Nfld.	397,000	87	75
Total	$46,227,000	85%	96%

BOILER INSURANCE RATES MODIFIED BY ASSOCIATION

Chief Changes Apply to Machinery Insurance Schedule

Modifications in the rules and rates for boiler and machinery insurance applying to all policies effective on and after August 1, 1931, have been announced by The Canadian Boiler and Machinery Underwriters' Association. The changes apply principally to machinery insurance, only a few unimportant changes being made in the boiler line.

For steam turbines and water turbines in sizes over 2,000 kilowatts, substantial reduction in rates have been made. The reductions increase in proportion to the size of machine and apply to all forms of turbine insurance except the old restricted form known as explosion coverage.

Premiums for plants having turbines over 5,000 kilowatts have been subject to further modifications. New rates are provided for so-called "combined coverage" which in addition to the restricted explosion coverage, includes also breakdown coverage on the electrical end of the turbine. The combining of two classifications for pulleys results in a reduced rate for balance wheels and for pulleys on engine, and an increased rate for wood, or wood-rim wheels.

Rate reductions similar to those described for turbines have been made for rotating electrical machines such as generators, and rotary converters. As in the case of turbines these reductions apply only to machines of large size and the reductions increase in proportion to the size.

Another change affecting the rates for turbines and electrical machines of large size is accomplished by means of a revision in the deductible liability rate table. The effect of this revision is to provide a more substantial premium reduction for the policyholder who elects to assume a certain part of each loss.

Current Events in the Banking World

BRAZIL NEEDS CENTRAL BANK SAYS NIEMEYER

Financial Expert Discusses Virtues of Institution in Report

Although some disappointment has been expressed that it lacked the weapons for quick action, valuable suggestions and information, particularly in respect to a central banking system, are contained in the report of Sir Otto E. Niemeyer, appointed early this year to study Brazil's finances.

The report urges the formation of a Central Reserve Bank; contemplates that a Federal Government loan be raised, (obviously when it is feasible for Brazil to enter foreign markets for long-term funds) and also proposes adoption of a gold exchange standard. In discussing these points, Sir Otto said:

Confidence is Vital

"It is hardly necessary to point out that this is a matter of the greatest importance for the economic life of Brazil and for the reinforcement of budgetary equilibrium. Confidence in the future of Brazil will depend very largely in belief, both in Brazil and outside of it, in the stability and efficiency of the monetary system. It is to create and foster such confidence that practically all the most important countries in the world have adopted a Central Reserve Bank system.

Experience of many countries has contributed to make clear the general principles to which a bank must conform. It is not enough for a country to possess a bank. It must be a genuine Central Bank conducted exclusively on central banking lines, e.g., as regards the nature of its business, liquidity, etc., and not in the main a bank conducting commercial business and merely fulfilling a few central banking functions.

"This latter type of institution is more often than not a very real danger to the financial and monetary system, for in times of strain when there is a general need for the strengthening of reserves it is only too likely to be in the same difficulties as the commercial banks. On the other hand a central institution conducted on orthodox lines should not be involved in the difficulties which from time to time cause commercial banks to seek assistance; and will accordingly be able to bring the whole weight of its resources to bear where help is needed.

"It is the business of a central bank to maintain monetary stability. It is not its business to take wider commercial risks or to provide capital for long-term investments; indeed, if it attempts to perform either of these functions it will inevitably cease to be able to perform its primary duty.

Bank Alternatives Considered

"In any proposal for establishing a central bank in Brazil two alternatives have immediately to be considered (1) the conversion of the present Bank of Brazil into an orthodox central bank (2) the establishment of an entirely new institution which will assume the sole right of note issue and perform the other function of a reserve bank. The present Bank of Brazil is largely a bank d'affaires, conducting commercial business which is no part of the functions of a central bank.

"This business plays so prominent a part in the economy of Brazil that it obviously cannot be abolished. It is obviously so much a part of the banking business of the country that it is difficult to see how it could be transferred to any other existing commercial bank. Moreover, the Bank of Brazil has internally a position and a name of commercial value. It will be more practicable therefore to remove from the Bank of Brazil those central banking functions which it has undertaken in the last few years and give them to a new institution specially established by law for the purpose."

Sir Otto's recommendations with regard to creation of the Central Reserve Bank are summarized as follows:

"(1) That immediate steps be taken to form a Central Reserve Bank in accordance with the statutes annexed: to which bank would be entrusted the sole right of note issue in Brazil, the custody of government balances, banking reserves and other functions normally exercised by a central bank.

"(2) The reserve bank to be autonomous with a capital subscribed half by the banks and half by the public in Brazil; to be entirely removed from state control or participation; and to be assisted temporarily by an expert counsellor.

"(3) An external loan to be raised by the Federal Government sufficient to provide the bank with the necessary foreign exchange cover for its notes and sight liabilities.

"(4) As soon as the proceeds of the loan are available, the new rate for the milreis to be established by a monetary law and the convertibility of the note issue to come into force."

No Tellers' Cages for Huron & Erie

This is the banking rotunda in the new Huron & Erie head office building at London, opened recently. There are no teller's cages of any description, the counters being wide open for customers to transact their business.

Bank Closings Continue High During June

A further decline in the branches of Canadian chartered banks is noted for June, according to the Bank Directory of Canada. In that month twelve bank branches were closed, all of them in the Western provinces, while only two new ones were opened, one of which was the Bank of Commerce branch at Los Angeles, California, and the other a Royal Bank branch, namely, the new main office at Hastings and Granville Streets, Vancouver.

Of the twelve branches closed, four were in Alberta, four in Saskatchewan, three in Manitoba and one at Vancouver. The Bank of Montreal showed the largest number of closings, having shut five during the month, while Royal Bank closed three in Nova Scotia, Commerce, Toronto and Dominion banks closed one each.

Weekly Bank Clearings

	July 24, 1930	July 23, 1931
Halifax	$ 2,961,834	$ 2,592,508
Saint John	2,350,516	1,930,936
Moncton	1,098,050	744,620
Sherbrooke	824,084	687,643
Quebec	6,509,584	5,445,118
Ottawa	6,857,912	6,752,970
Montreal	106,336,535	95,894,188
Kingston	892,484	649,758
Peterboro'	1,249,736	795,473
Toronto	97,898,777	84,212,910
Hamilton	5,332,848	4,372,841
Kitchener	1,020,086	988,485
Brantford	973,273	886,360
London	2,998,827	2,491,001
Chatham	472,671	412,059
Windsor	3,703,995	2,804,971
Sarnia	709,955	477,880
Sudbury	1,031,405	733,492
Fort William ...	$ 1,170,242	$ 900,716
Winnipeg	48,736,240	35,196,773
Brandon	527,211	376,842
Regina	3,730,445	2,564,236
Moose Jaw	1,055,039	623,439
Saskatoon	2,688,672	....
Prince Albert ...	413,277	362,000
Edmonton	5,412,702	3,957,394
Calgary	6,429,371	4,913,047
Medicine Hat ...	319,120	203,266
Lethbridge	522,521	367,033
Vancouver	19,704,580	15,561,351
New Westminster	809,590	531,421
Victoria	2,622,021	1,660,604
Saskatoon	....	1,603,325

Commons is Eloquent on Service Loan Bill

Rats, Al Capone, nursery rhymes, Shylock and the three brass balls of the pawnbroker, all featured last week's discussion on the bill to incorporate the Service Loan and Financial Corporation which has now been talked out on two occasions and is still hanging fire before the commons.

Michael Luchkovich, of Vegreville, provided most of the metaphors when the House resumed discussion of the measure on July 21. For a quarter of an hour he likened his measure to the notorious Al Capone in that he thought it "full of scars and other bad features seeking the protection of law and order to carry on its nefarious work." Subsequently an honorable member rose to a point of order submitting that members had no right to compare legislation sponsored in the house, to methods used by the Chicago outlaw. Mr. Speaker's reply was "The house has no information as to what Al Capone is."

In spite of strong support of the bill by its sponsor, J. E. Lawson, of West York, pointed out that it had the approval of the Federal Superintendent of Insurance and was exactly similar to the federal incorporation of two companies already approved by the Commons, the measure was again talked out.

Bank Chat

Bank of Commerce announces the following appointments:

A. T. ROY, manager at East End, Cornwall, has been appointed manager at Chambly, P.Q.

I. C. WATSON, accountant at Upertown, Sherbrooke, has been appointed manager at East End, Cornwall, Ont.

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Distilling Firms Sell Through Dom. Factors

From Our Own Correspondent

MONTREAL.—Some light on the export agreement recently negotiated among distilling companies in Canada is thrown by a petition for an injunction sought in the Superior Court of Montreal by Pioneer Distillers from carrying out an agreement with Dominion Factors, of Montreal. The latter is the company handling the export business for distilleries.

Organizations dealing with Dominion Factors include Distillers Corp.; Joseph E. Seagram and Sons; Atlantic Distilling Co.; Hiram Walker & Son; Gooderham and Worts; Consolidated Distillers of Manitoba; British Columbia Distillery Co.; United Distillers and the St. Hyacinthe Distillery Ltd.

Owing to keen competition and price cutting in the export market, distilling companies in Canada sought to stabilize their export business through establishment of a pool. This was finally accomplished early in 1931 through the organization of Dominion Factors Ltd.

Dominion Steel and Coal Iron Ore Exports Lower

From Our Own Correspondent

MONTREAL.—Iron ore shipments from Wabana by the Dominion Steel and Coal Corp. have amounted to over 311,000 tons since the opening of navigation, which is well under last year's total. Of this total, 183,175 tons have been dispatched to Rotterdam, 105,415 tons to Sydney, and 22,920 tons to the United States.

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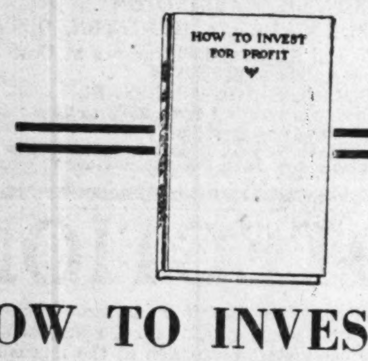

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WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto & Curb Stocks

WEEK ENDING JULY 27

Range 1931 High	Low	Divd. Rate in $	Yield in % July 25		Sales	Close July 20 (or last)	Week Ending July 27 High	Low	Close
13¾	8½	.	...	Abitibi, c.	75	3¾	5	4	4
50	14	.	...	Do. pref.	15	18	18	16	18
105	80	7	8.72	Do. pref.	15	105	80½	80	80½
8	7	.	...	Agnew Surp. c.	....	7½	..	..	..
88	84	7	8.3	Do. pref.	....	84	..	..	..
6½	2½	.	...	Alta. Pac. Gr.	25	3	3½	3½	3½
30	15	.	...	Do. pref.	....	15	..	..	..
4	3	.	...	Amal. Electric	....	3½	..	..	..
18	10	.	...	Do. pref.	....	11	..	..	..
3½	2½	25c	...	Anglo N. Hold.	....	3½	..	..	..
.50	.25	.	...	Asbestos Corp.	....	.25	..	..	..
2	½	.	...	Do. pref.	120	¾	¾	¾	¾
9	5	1	15.4	Assoc. Brew.	25	6	6½	6½	6½
70	67	7	10	Do. pref.	....	70	..	..	..
10	4	.	...	Assoc. Can.	....	4	..	..	..
69	65	4+50	6.8	Assoc. Tele.	....	66	..	..	..
87	87	6	...	Do. pref.	....	87	..	..	..
37½	12¾	.	...	Atlan. Sugar	70	24	22	22	22
105	79¾	.	...	Do. pref.	....	92	..	..	..
174	158½	10*	6.1	Bk. Can. Nat.	2	165	165	165	165
303	263½	12+2	5.3	Bk. Montreal	90	265	265½	261½	262
326	284	16	5.1	Bk. N. Scotia	48	312	314	312	312
238	217	12+1	5.8	Bk. of Toronto	31	219	221½	219½	221
24	8½	.	...	Barcelona Tr.	....	15	..	..	..
5½	4	.	...	Bathurst Pr.	....	4	..	..	..
4	2	.	...	Do. (B)	25	2	2	2	2
x26	26	.	...	Bawlf Grain	....	..	..	..	..
25	20	.	...	Do. pref.	....	20	..	..	..
12	6	.	...	Beath & Sons	....	6	..	..	..
20	12	2	13.3	Beatty Bros.	....	15	..	..	..
80	60	6	8.7	Do. pref.	....	68½	..	..	..
8½	3	.	...	Beauharnois P.	6125	4½	5	3½	5
93	85	7	8.2	Belding Cort.	....	85	..	..	..
100	100	7	7	Do. pref.	....	100	..	..	..
55	10	.	...	Belgo C.P. pf.	....	10	..	..	..
151⅞	127	8	5.7	Bell Telephone	352	139	139½	138½	139
4½	3	.	...	Biltmore Hats	....	3	..	..	..
65	60	7	10.8	Do. pref.	....	65	..	..	..
x22	14	.	...	Bissell, T. E.	....	..	..	..	..
x97	88	.	...	Do. pref.	....	..	..	..	..
20	12	2	10	Blue Ribbon c.	....	20	..	..	..
39½	30	3.25	8.2	Do. pref.	....	39½	..	..	..
22½	14	2	10.5	Brant. Cd. pf.	355	15½	19	19	19
28½	12⅝	25c	...	Brazilian Tr.	11685	21	21½	18½	19¼
x2	⅞	.	...	Brew. & Distil.	....	..	..	..	..
16½	8	80c	7.7	Brit. Amer. Oil	3120	10½	11⅜	10½	10½
3½	½	.	...	B.C. Packers	65	1½	1½	1½	1½
22	5	.	...	Do. pref.	....	5⅛	..	..	..
42½	33	2	5.4	B.C. Power	205	37	37	36	36
18	10	.	...	Do. (B)	221	11	11⅜	10½	11
3	1	.	...	B.E. Steel	....	1¼	..	..	..
21	18½	.	...	Do. 1st pref.	....	18½	..	..	..
3½	1⅜	.	...	Do. 2nd pref.	50	2¾	2¾	2¾	2¾
8	4½	.	...	Bruck S. Mills	....	6½	..	..	..
26	16⅞	2	9.4	Building Prod.	185	21	22	21¼	21½
44½	29½	3	8.5	Burt, F. N.	80	35	35⅛	35	35
146	140	6	4.3	Calgary Pr.	....	140	..	..	..
7⅛	3½	50c	10.5	Can. Bread	110	4¾	4¾	4¾	4¾
100	87	7	7.9	Do. pref. (A)	....	88	..	..	..
80	55	7	11.5	Do. pref. (B)	....	61	..	..	..
14½	8¾	1	8.3	Canada Bud	565	12	12¼	12	12¼
18⅛	8¾	.	...	Can. Cement	600	10½	10⅞	10	10
96	86½	6.50	7.4	Do. pref.	51	89	89	87½	87½
b45	29⅝	3	7.7	Canada Dry	2000	40	40⅛	38½	38½
12	10	1.50	15	Can. Forg. (A)	....	10	..	..	..
x16	5	.	...	Do. (B)	....	..	..	..	..
68	66	3	4.5	Canada Iron	....	66	..	..	..
76	60	6	10	Do. pref.	....	60	..	..	..
16½	10¾	1.50	11.5	Can. Malting	70	13⅜	13	13	13
25½	15	80c	3.2	Can. Nor. Pr.	....	25	..	..	..
107	104	7	6.6	Do. pref.	5	105½	105¾	105¾	105¾
6	1	.	...	Can. Paving	....	1	..	..	..
51	25	7	28	Do. pref.	....	25	..	..	..
216	195	12	6	Can. Perman.	32	200	200	198	200
4.50	.50	.	...	Can. Pr. & Pa.	180	.60	.60	.50	.50
9	3½	.	...	Can. Steamsh's	100	3½	3½	3½	3½
27	9	.	...	Do. pref.	5	13	12	12	12
20	14½	1.60	8.9	Can. Vinegar	185	17½	18	17¾	17¾
70	54½	4	6.2	Can. W. Cable.	30	60	64	64	64
30½	20	1.75	...	Do. (B)	930	20½	20⅝	20	20⅝
16	9¾	.	...	Can. Bakeries	....	9¾	..	..	..
35	35	4	11.4	Do. pref.	....	35	..	..	..
232	199	12+1	6.4	C. Bk. of Com.	256	208½	208½	203	205
36½	19	2.50	11.3	Can. Bronze	25	22	21	21	21
110	105	7	6.7	Do. pref.	....	105	..	..	..
13½	8	50c	5.9	Can. Canners	....	8½	..	..	..
92½	82	6	7.2	Do. 1st pref.	5	83	83½	83½	83½
14	8¾	80c	7.8	Do. 2nd pref.	115	10½	10½	10½	10½
19	9½	1.75	15.9	Can. Car & Fy.	383	11½	12	11	11½
25½	16⅞	1.75	9.3	Do. pref.	55	18¾	19½	18¾	18¾
14½	6½	.	...	Can. Celanese	....	10	..	..	..
73½	59	7	9.9	Do. pref.	106	71	71	70	70½
58	30	4	12.5	Can. Convert.	....	32	..	..	..
x50	45	.	...	Can. Cottons	....	..	..	..	..
55	51	6	11.8	Do. pref.	....	51	..	..	..
36½	23¾	3	10	Can. Dredge	55	29½	29⅞	29¾	29¾
92	92	7	7.6	Do. pref.	....	92	..	..	..
81⅜	79	6	7.6	Can. Fairb. pf.	....	79	..	..	..
6	5½	.	...	Can. For. Inv.	....	5⅞	..	..	..
80	80	8	10	Do. pref.	....	80	..	..	..
300	200	4	1.9	Can. Gen. Elec.	....	210	..	..	..
63½	59½	3.50	5.6	Do. pref.	70	62	62½	62	62
80	52	6	8.5	Can. Hyd. E. p.	90	70	70½	70	70
5½	1½	.	...	Can. Ind. Alc.	235	2½	2½	2½	2½
3½	¾	.	...	Do. (B)	....	1	..	..	..
5.00	3.95	.	...	Can. Int. I. Tr.	....	3.95	..	..	..
70	65	5	7.7	Do. pref.	25	67½	65	65	65
42	15	1	3.4	Can. Lt. & Pr.	15	25	29½	29½	29½
18	18	.	...	Can. Locomo.	....	18	..	..	..
25	10	.	...	Do. pref.	....	10	..	..	..
b4½	1⅞	.	...	Can. Marconi	3200	2⅞	2¾	2½	2½
23½	9	1	8.7	Can. Oil	....	11½	..	..	..
120	96	8	8.3	Do. pref.	15	100	96	96	96
45½	24½	1.25	4.9	Can. Pacific	2515	27	27	25¼	25⅜
6½	5	.	...	C. Pr. & Pa. In.	....	5	..	..	..
6½	2⅛	.	...	Can. Vickers	10	3	3	3	3
35	16	.	...	Do. pref.	....	20	..	..	..
6	2½	50c	12.9	Can. Wineries	25	4	3⅞	3⅞	3⅞
16	4	1.00	25	Can. Wire Box.	45	9	4	4	4
3	⅝	.	...	Carling Brew.	....	⅞	..	..	..
12	12	.	...	Catelli Mac. A.	....	12	..	..	..
5	5	.	...	Do. (B)	....	5	..	..	..
301	290	12+3	..	Cent. Can. Loan	....	300	..	..	..
5.35	1.50	.	...	Chem. Research	1350	2.15	2.10	2.00	2.00
64	57	2	...	City Dairy	5	60	62	61⅛	62
x155	120	7	...	Do. pref.	....	..	..	..	..
20.25	10.00	30c(c)	..	Cities Service	....	10.75	..	..	..
10	4¾	.	...	Cockshutt Plow	60	5	5½	5	5¼
9	3	.	...	Comm. Alcohol	....	4	..	..	..
9	4	.	...	Conduits	....	4	..	..	..
94	84	7	7.8	Do. pref.	....	90	..	..	..
12⅞	7½	1	10.5	Cons. Bakeries	5	10	9½	9½	9½
3	½	.	...	Cons. Food Pr.	....	⅝	..	..	..
6	3	.	...	Do. (A)	....	3	..	..	..
18⅝	10½	80+20c	6.5	Cons. Indust.	238	15½	15⅞	15¼	15⅞
31	25	2	7.7	Cons. Press	25	26	26	26	26
80	62	7	10	Cons. Sand, pf.	10	62	70	70	70
188½	71½	2.50	2.57	Cons. Smelters	2557	95	100¾	94	97½
187	180¾	10	5.4	Consumers Gas	352	184	184	184	184
x35	30	.	...	Cooksville Co.	....	..	..	..	..
x85	85	4	..	Do. pref.	....	..	..	..	..
20½	15	.	...	Corporate Steel	....	15	..	..	..
x90	90	.	...	Corr. P. Box, p	....	..	..	..	..
2.10	1.00	.	...	Cosgrave Brew.	1165	2.00	2.00	2.00	2.00
9	5	.	...	Cosmos Imp.	....	7	..	..	..
93	70	7	10	Do. pref.	25	75	70	70	70
6½	2	.	...	Crown Dom. Oil	200	3	3	3	3
15	8½	3	...	Crow's N. Coal	....	13	..	..	..
5	4	.	...	David & Fre. B	....	4	..	..	..
12½	12½	.	...	De Havilland	....	12½	..	..	..
x15	8	.	...	Disher Steel	....	..	..	..	..
x18	17	1.50	...	Do. pref.	....	..	..	..	..
12⅞	8	1	11.1	Distill-Seagram	665	8½	9	8½	9
223	208	12+1	6.2	Dominion Bk.	49	208	209	208	208
55¾	27½	3	9.5	Dom. Bridge	380	32½	33½	31½	31½
40	40	.	...	Dom. Coal	....	40	..	..	..
50	15	.	...	Dom. Engineer	....	18	..	..	..
x14	10	.	...	Dom. Found.	....	..	..	..	..
126	90	7	7.1	Dom. Glass	23	100	100	98	98½
125	119	7	5.6	Do. pref.	....	125	..	..	..
20	20	.	...	Dom. Iron, pf.	....	20	..	..	..
14	10	.	...	Dom. Pr. Stubs.	....	13	..	..	..
24	24	.	...	Dom. Steel, pf.	....	24	..	..	..
8½	2¾	.	...	Dom. St. & C.B.	736	3½	3	3	3
24½	18¾	1.20	5.3	Dom. Stores	855	22⅛	22¾	22	22
14	5	.	...	Dom. Tar & Ch.	20	7	5	5	5
93	86	6.50	8.1	Do. pref.	....	80	..	..	..
83	63	5	7.6	Dom. Textile	265	70	66½	65½	65½
123	120	7	5.8	Do. pref.	95	121	121	120	120
12	10	.	...	Donnacona	....	10	..	..	..
7	2½	.	...	Dryden Paper	40	3½	3½	3½	3½
7½	3	.	...	Duff. Paving	....	6	..	..	..
80	68	7	10.3	Do. pref.	....	68	..	..	..
11¾	4	40c	10	Durant Motors	45	4½	4½	4	4
25½	16	1	4.4	East. Dairies	280	22	22½	22	22
20	18	1+1	...	East. Steel	....	18	..	..	..
100	97	7	7.2	Do. pref.	....	97	..	..	..
16	16	.	...	East Koot. Pr.	....	16	..	..	..
97	94⅝	7	7.3	Do. pref.	....	96	..	..	..
x34	28½	2	...	East. Theatres	....	..	..	..	..
x85	80	7	...	Do. pref.	....	..	..	..	..
3¾	3¾	.	...	Easy Washer	....	3¾	..	..	..
37	34½	2.50	6.7	Economic Inv.	4	35	37	37	37
15	15	.	...	Edmonton D'y	....	15	..	..	..
80	80	6.50	8.1	Do. pref.	....	80	..	..	..
8	5	.	...	Enam. & Heat.	....	5	..	..	..
40	28½	3	10.5	Eng. Electric	....	28½	..	..	..
16	10	.	...	Do. (B)	....	10	..	..	..
39½	16	2	11.1	Fam. Players	....	18	..	..	..
33½	18	2	11.1	Do. Vot. Tr.	....	18	..	..	..
19	9¾	1	8.7	Fanny Farmer	....	11½	..	..	..
34	28	2.40	7.4	Do. pref.	....	32½	..	..	..
x.25	.10	.	...	Federal Distil.	....	..	..	..	..
x83½	75	.	...	Firstbrook Box	....	..	..	..	..
29¾	14½	1.20	7	Ford Motors A	606	17¾	17½	16½	16½
15	6	.	...	For. Pr. Secs.	....	12½	..	..	..
16½	8½	1	8.3	Foundation Co.	....	12	..	..	..
3.00	.50	.	...	Fraser Cos.	....	1.25	..	..	..
25	25	.	...	Fron. Brew. pf.	....	25	..	..	..
8	5	.	...	Frost St. Wire	....	7	..	..	..
96½	85	7	...	Do. pref.	....	88	..	..	..
7½	2¾	.	...	Gen. St. Wares	285	3	3½	3	3
119	70	5+2.50	7.5	Goodyear Tire	6	101	105	100	100
107⅞	94	7	6.9	Do. pref.	45	102	102	101¾	102
93½	93½	7	7.5	Gould Pumps, p	....	93½	..	..	..
¾	½	.	...	Gt. W. Saddlery	....	½	..	..	..
8	6	.	...	Do. pref.	....	8	..	..	..
31	20	2	7.5	Gurd, Chas.	55	25	26½	25	26½
12⅞	7⅛	80c	10	Gypsum, Lime	620	8¼	8	7½	7⅝
20½	7	.	...	Ham. Bridge	130	8¼	8½	7¾	8
80	63	6.50	10.3	Do. pref.	....	63	..	..	..
19	13	2	15.4	Ham. Cotton, p	....	13	..	..	..
4½	3	.	...	Ham. U. Theat	....	3	..	..	..
63	55	7	...	Do. pref.	....	60	..	..	..
12	4	.	...	Hayes Wheel	....	6	..	..	..
x95	80	.	...	Do. pref.	....	..	..	..	..
x50	50	.	...	Hillcrest Coll.	....	..	..	..	..
x91	91	.	...	Do. pref.	....	..	..	..	..
4	3½	.	...	Hinde & Dauch	....	3½	..	..	..
x120	120	.	...	Holt, Renfrew	....	..	..	..	..
x96½	90	7	...	Do. pref.	....	..	..	..	..
7	7	.	...	Honey Dew	....	7	..	..	..
59	50	7	13.2	Do. pref.	....	53	..	..	..
6	3	.	...	H. Smith Pap.	115	4½	4½	4	4
45½	30	.	...	Do. pref.	....	38	..	..	..

Range 1931 High	Low	Divd. Rate in $	Yield in % July 25		Sales	Close July 20 (or last)	Week Ending July 27 High	Low	Close
20	15	2	12.5	Humberstone S	....	16	..	..	..
23½	17	1.40+50	10.5	Hunt (A)	....	18	..	..	..
23½	19	1.40+50	8.1	Do. (B)	....	23½	..	..	..
150	146	8	5.5	Huron & E. M.	....	146	..	..	..
29½	28½	.	...	Do. 20% pd.	....	28½	..	..	..
29⅝	16¾	1.40	6.8	Hydro Electric	....	20½	..	..	..
225	201	12+1	6.3	Imperial Bk.	10	207	208	208	208
18⅜	9⅞	50+50c	7.8	Imperiol Oil	4148	12	12½	12	12⅛
10½	9	35+20c	5.8	Imperial Tob.	615	9½	9⅝	9⅝	9⅝
29	22	.	...	Inter. Hyd. E A	....	22	..	..	..
103	92	7	7.5	Inter. Mill, pf.	40	95	94	92	93
x92	88	6	...	Do. Series A	....	..	..	..	..
20½	9½	60c	4.61	Inter. Nickel	12468	14½	14⅞	13	13
10	5	.	...	Inter. Paints	....	5	..	..	..
b10½	4	.	...	Int. P. & Pr A	200	5	4½	4½	4½
b6	2½	.	...	Do. (B)	....	2¾	..	..	..
b4½	1½	.	...	Do. (C)	2900	2½	2½	2½	2½
b43½	18½	.	...	Do. pref.	300	22¾	23½	22½	22½
15½	8¾	1	8.3	Inter. Pete.	4675	11	12⅛	11	12
8	5½	.	...	Inter. Power	....	5½	..	..	..
73	60	7	10.3	Do. pref.	50	69	68	68	68
45	31	3.50	...	Int. Util. (A)	55	32½	33	32¾	32¾
11	6½	.	...	Do. (B)	915	7½	8	7½	8
40	40	1	2.5	Jam. Pub. Ser.	....	40	..	..	..
109	103	7	6.8	Do. pref.	....	103	..	..	..
5	2½	.	...	Kelvinator	....	4⅛	..	..	..
80	73¼	7	8.7	Do. pref.	....	80	..	..	..
x40	40	.	...	King Ed. Hotel	....	..	..	..	..
24	8⅞	.	...	Lake of Woods	40	8⅞	9	9	9
101	82	7	8.5	Do. pref.	....	82	..	..	..
x190	180	8	...	Landed Bank.	....	..	..	..	..
46	33	3	7.4	Laura Secord	15	36	42	40	42
16	9	1	10	Lindsay, C. W.	27	12	10	10	10
72½	65	6.50	9.7	Do. pref.	....	67	..	..	..
14¾	11	80c	6.73	Loblaw (A)	610	11⅞	12	11½	12
14¾	10	80c	6.8	Do. (B)	8	11½	11¾	11½	11¾
30	30	.	...	Loew's, London	9	..	30	30	30
25	10	.	...	MacKin. Steel	....	20	..	..	..
95	92	7	7.6	Do. pref.	....	92	..	..	..
x36	20	.	...	Manitoba Pr.	....	..	..	..	..
8	6	.	...	Maple Leaf	....	6	..	..	..
40	15	.	...	Do. pref.	8	18	15	15	15
32	30	.	...	Marcus Loew's	....	30	..	..	..
71	70	7	10	Do. pref.	....	70	..	..	..
10½	3⅜	.	...	Massey-Harris	382	4¾	4⅞	4⅜	4½
22½	9⅝	60c	5	McColl Fron.	837	12⅝	14	12½	12½
80	69¾	6	7.8	Do. pref.	....	76½	..	..	..
45	35	.	...	Mexican L. & P.	....	35	..	..	..
x25	25	.	...	Mercury Mills	....	..	..	..	..
x89	58½	.	...	Do. pref.	....	..	..	..	..
40½	40	1	2.5	Mitchell, J. S.	....	40	..	..	..
105	105	7	6.7	Do. pref.	....	105	..	..	..
20	13	1	7.7	Mitchell, Robt.	25	13	13	13	13
1	1	.	...	Monarch Knit.	....	1	..	..	..
38	38	.	...	Do. pref.	....	38	..	..	..
95½	83½	6	6.4	Montreal Cot.	....	93	..	..	..
100	98	7	7	Do. pref.	....	100	..	..	..
3½	3	.	...	Montreal Exhib	....	3	..	..	..
20	15⅞	.	...	Mont. Is. Pr.	....	16	..	..	..
68¼	38½	1.50	3.4	Mont. L. & Pr.	4851	44	46	44	44½
49½	48	3+25	6.8	Montreal Loan	....	48	..	..	..
60	48	3.20	5.3	Montreal Tele.	11	50	60	60	60
177	150	10	6.4	Mont. Trams.	....	155	..	..	..
17½	11½	1	8	Moore Corp. c.	55	12½	12½	12½	12½
108½	98	7	7.1	Do. (A)	....	98½	..	..	..
126	103½	7	6.2	Do. (B)	45	110	112	112	112
x10	10	.	...	Mt. Royal Hot.	....	..	..	..	..
x49	49	1	...	Do. pref.	....	..	..	..	..
3½	2	30c	15	Muirheads	....	2	..	..	..
10	6	.75c	7.9	Do. pref.	....	9½	..	..	..
35¾	24	1.60	5.9	Nat. Brew.	911	27⅞	28	27	27
34¾	27	1.75	5.5	Do. pref.	94	32	32	32	32
x10	3	.	...	Nat. Brick	....	..	..	..	..
19	5	.	...	Do. pref.	....	5	..	..	..
.50	.25	.	...	Nat. Distiller.	....	.40	..	..	..
42	18½	2	10.5	Nat. Steel Car.	335	20	20	19	19
360	265	14	5.3	National Trust	....	265	..	..	..
13	11	1.50	13.6	Niag. W. Weav	....	11	..	..	..
36	35	3	8.6	Do. pref.	....	35	..	..	..
x90	89¾	.	...	Nor. Mex. Pr.	....	..	..	..	..
70	70	7	10	Do. pref.	....	70	..	..	..
6.00	2.00	.	...	North Star Oil	100	2.50	2.50	2.50	2.50
4.95	4.50	35c	7.4	Do. pref.	....	4.70	..	..	..
x25	22½	.	...	N.S. Steel, pf.	....	..	..	..	..
285	125	8	4	Ogilvie Flour	1	200	200	200	200
130	118½	7	5.9	Do. pref.	....	118½	..	..	..
21	15	6	4	Ont. Eq. 10% p	27	15½	15	15	15
119	113	6	5.1	Ontario Loan	10	117	119	119	119
7	5	.	...	Ont. Silknit	....	7	..	..	..
16	13	80c	6.1	Ont. Steel	....	13	..	..	..
x105	105	7	...	Do. pref.	....	..	..	..	..
1½	1	.	...	Orange Crush	....	1	..	..	..
60	50	7	13.2	Do. (A)	100	55	53	53	53
5½	4	.	...	Do. (B)	10	4	4	4	4
110	90	6	5.6	Ott. L. H. & Pr	55	110	109	107	107
105	102	6.50	6.3	Do. pref.	8	103½	103½	103½	103½
25	25	.	...	Ott. Traction	....	25	..	..	..
92⅞	68	5	6.2	Page Hersey	340	79¾	81	80	80½
49	25	2.50	10	Paramount	....	25	..	..	..
35	34	.	...	Paton Mfg.	....	35	..	..	..
94	82	7	7.4	Do. pref.	....	94	..	..	..
½	½	.	...	Pelissiers	....	⅜	..	..	..
30	25	.	...	Do. pref.	10	25	30	30	30
73	36	4	10	Penmans	....	40	..	..	..
101	93	6	6.4	Do. pref.	....	93	..	..	..
.75	.50	.	...	Perfec. Glass	....	50	..	..	..
29	18	2	8.3	Photo Eng.	25	23½	24	24	24
40	10	.	...	Port Alfred pf.	....	10	..	..	..
70	64	7	10	Porto Rico pf.	....	70	..	..	..
b39½	18	.	...	Postal Teleg.	....	..	..	..	..
63½	39½	2	4.6	Power Corp.	1154	44	44¾	43	48
102	95	6	6.1	Do. pref.	174	96½	98	95	98
4½	3	.	...	Prairie C. Oil.	....	3	..	..	..
16	8½	50c	5.5	Pressed Metals	4	10	9	9	9
42¾	29½	2	6.2	Price Bros.	5	32	32	32	32
99	83¾	6.50	7.6	Do. pref.	....	85	..	..	..
49	31¾	2.50	7.6	Quebec Power	267	32½	34	32	34
110	105	7	6.7	Real Estate Ln.	8	105	105	105	105
3	1	.	...	Regent Knit.	....	1⅛	..	..	..
10	5½	.	...	Reliance Grain	15	7	7½	7½	7½
16	9	2	13.8	River. S. Mills	70	12½	15	12½	14½
19½	11	1.50	9.9	Robinson Cone	....	15⅛	..	..	..
16½	10	1.20	11.7	Rogers Majes.	15	10½	10½	10½	10½
291	235	12+2	5.7	Royal Bank	381	245	245½	243½	244
84	75	7	9.3	Ruddy, E. L. p.	25	84	75	75	75
77¾	65¾	4	5.9	Russell Motor	20	67¾	66¾	65¾	65¾
95	84	7	8.3	Do. pref.	....	84	..	..	..
7	7	.	...	Sarnia Br. (A)	....	7	..	..	..
x12	5	.	...	Do. (B)	....	..	..	..	..
36¾	9½	1.60	1.4	Serv. Stn. Eq.	1001	11	11¼	10¼	11¼
90½	54	6	8.4	Do. pref.	10	70½	71	71	71
59½	34¾	2.50	6	Shawinigan	1839	42½	43	41½	41½
30	21	1.60	6.4	Sher.-Wms.	125	25	25	25	25
121	117	7	5.8	Do. pref.	....	119½	..	..	..
22	14	2.50	13.9	Simon & Son	....	18	..	..	..
92	88½	7	7.6	Do. pref.	5	90	91½	91½	91½
92½	73	6.50	8.2	Simpsons Ltd.	85	80	80	79	80
44½	40	2	5	Do. (A)	....	40	..	..	..
35½	24½	.	...	Do. (B)	....	29	..	..	..
108	103	6	5.6	Simpson, Robt.	....	106½	..	..	..
4	1	.	...	St. Law. Corp.	170	1½	1½	1⅛	1⅛
12	2½	.	...	Do. (A)	60	3½	4½	4½	4½
20	16	.	...	St. Law. Flour	....	16	..	..	..
85	82	7	8.2	Do. pref.	....	85	..	..	..
30⅛	10	.	...	St. Law. Pap. p	65	11	11½	11	11
30	4	.	...	St. Maur. V. p	....	4	..	..	..
32	22¾	1	3.3	So. Can. Pr.	5	30	30	30	30
106½	104½	6	5.6	Do. pref.	48	105½	106	105½	105½
16⅛	5	2	33.3	St. Pav. & Mat.	315	7	7	5	6
80	66½	7	9.9	Do. pref.	10	70	71	71	71
1	1	.	...	Stanfords	....	1	..	..	..
15	7	1	14.2	Stand. Chem.	....	7	..	..	..
9⅞	3¾	.	...	Stand. Steel	40	5	4	4	4
35	32	3	9.4	Do. pref.	....	32	..	..	..
42½	24¾	1.75	5.2	Steel of Can.	341	29	29	28	28
37	28¾	1.75	4.4	Do. pref.	245	32½	35	28¾	34
4½	2⅛	.	...	Sterling Coal	....	2⅛	..	..	..
32½	12¾	1	5.9	Sup. Pet. Ord.	135	17	17	17	17
105	94	7	7.2	Do. pref.	....	95	..	..	..
31	14	1	5.9	Do. com.	....	17	..	..	..
49	41	.	...	Tamblyn	5	47	49	49	49
105½	101	7	6.6	Do. pref.	....	105½	..	..	..
30	20	3.50	15.9	Thayers, pref.	5	24	22	22	22
16	6½	.	...	Tip Top Tailors	55	7¾	7¾	7¾	7¾
90	77	7	8.5	Do. pref.	5	80	82	82	82
22	10	.	...	Tooke Bros.	....	10	..	..	..
67	50	7	14	Do. pref.	....	50	..	..	..
15	9½	.	...	Tor. Elevators	130	11	11	11	11
235	210	12	5.4	Tor. Gen. Tr.	9	215	221	220	220
115	108	6	5.4	Toronto Mtge.	25	110	111	111	111
3	1½	.	...	Traymore	....	1½	..	..	..
12½	9¾	1.40	14	Do. pref.	127	10½	10	9¾	10
128	120	7	5.5	Tuckett Tob. p	12	127½	128	127½	128
17½	7	.	...	Twin City	....	8	..	..	..
b62	35½	7	...	Do. pref.	....	..	..	..	..
16	9¾	1	9.1	Union N. Gas	392	10⅞	11	10⅞	11
101½	98	7+1	8	Union Trust	....	100	..	..	..
8	3	.	...	United Fuel	....	3	..	..	..
65	27	4	14.8	Do. pref.	15	30	27	27	27
55	49⅝	2	4	United Secs.	....	50	..	..	..
24½	8½	.	...	Viau Biscuit	264	13½	13	13	13
85	75	7	8.6	Do. pref.	....	81½	..	..	..
30	20	.	...	Wabasso Cot.	....	20	..	..	..
8½	4½	50c	10	Walker-Good.	1587	5⅛	5½	5	5½
7½	2	.	...	Waterloo Mfg.	40	3¾	3¾	3¾	3¾
45	30	1	2.6	Weston	75	37	39	39	39
90	80	7	8.7	Do. pref.	....	80	..	..	..
17½	7	.	...	West. Can. Fl.	....	8	..	..	..
96	80	6.50	7.6	Do. pref.	....	85	..	..	..
17	10	.	...	West. Grocers	....	10	..	..	..
55	45	7	15.5	Do. pref.	....	45	..	..	..
91	85	6.50	7.1	W. Steel Pr. p.	....	91	..	..	..
x9	9	.	...	Whittall Can	....	..	..	..	..
13	10	.	...	Windsor Hotel	....	12	..	..	..
73	71	6.50	9.1	Do. pref.	....	71	..	..	..
21½	10	.	...	Winnipeg Elec.	....	12¼	..	..	..
81½	53	7	12.9	Do. pref.	....	54	..	..	..
‡30	30	.	...	Woods Mfg.	....	..	..	..	..
40	36	.	...	Do. pref.	....	36	..	..	..
80	80	7	8.70	Wood, A. & J. p	....	80	..	..	..
x2½	1½	.	...	Zimmerknit	....	..	..	..	..
7	7	.	...	Do. pref.	....	7	..	..	..

x Quotations for 1930. No sales recorded in 1931 to date.
a Stock dividend.
b New York Quotations.
‡ Quotations for 1929.
c 2½c monthly plus stock dividend of .005% monthly.

Winnipeg Stock Exchange

July 20

	Bid	Ask		Bid	Ask
Beaver Fire	125	...	Home Investment	50	...
Beaver Lumber, c.	...	19	Monarch Life	...	32
Do., pref.	...	90	Nor. Can. Mtge. pf.	15	...
Can. Amer. Tr. shs.	...	5.45	Nor. Can. Mtge. c.	½	...
Can. Fire Ins.	...	85	Traders Bldg.	...	...
Can. Indemnity	125	...	Un. Gr. Growers	...	...
Crescent Creamery	89	...	West Breweries	...	2½
Gt. West Life	...	490			

Dividends Declared

	Annual Rate	Div. Declared	Date	Record
Agnew-Surpass Shoe pfd.	$7	$1.75	Oct. 1	Sept. 15
Amer. Commonwealths Pr. 1st pref. Ser. "A"	$7	$1.75	Aug. 1	July 15
Do., 1st pref.	$6.50	$1.62	Aug. 1	July 15
Do., 1st pref.	$6	$1.50	Aug. 1	July 15
Do., 2nd pref. "A"	$7	$1.75	Aug. 1	July 15
Bank Can. Nationale	10%	2½%	Sept. 1	Aug. 15
Bank of Montreal	12+2%	3%	Sept. 1	July 31
Borden Co.	$3	75c	Sept. 1	Aug. 15
Blue Ribbon	$2	50c+17c†	Aug. 1	July 15
Do. pref.	6½%	81¼c	Aug. 1	July 15
Bank of Toronto	12+1%	3%	Sept. 1	Aug. 15
Brazilian Traction, ord.	..	25c	Sept. 1	July 31
B. C. Pulp & Paper, pfd.	$7	$1.75	Aug. 1	July 15
Beatty Bros. com.	...	50c	Aug. 1	July 15
Beatty Bros. 1st pref.	6%	1½%	Aug. 1	July 15
Belding-Corticelli, com.	7%	1¾%	Aug. 1	July 15
Brandram-Henderson com.	2%	½%	Aug. 1	July 2
Canadian Oil com.	$1	25c	Aug. 15	Aug. 1
Do., pref.	8%	2%	Oct. 1	Sept. 19
Canadian Hydro Elec. pfd.	6%	1½%	Sept. 1	Aug. 1
Canadian Bank of Commerce	12+1%	3%	Sept. 1	July 31
Canadian Investors	$1	25c	Aug. 1	July 15
Calgary Power, pref.	6%	1½%	Aug. 1	July 15
Can. Dredge	$3	75c	Aug. 1	July 16
Do., pref.	7%	1¾%	Aug. 1	July 16
Can. Bronze	$2.50	62½c	Aug. 1	July 20
Do., pref.	7%	1¾%	Aug. 1	July 20
Canadian Industries	$2.50	62½+*50c	July 31	June 30
Can. Wire & Cable "A"	...	$1	Sept. 15	Aug. 31
Do.	...	$1	Dec. 15	Nov. 30
Do., "B"	$1.75	43¾c	Sept. 15	Aug. 31
Do., pref.	6½%	1⅝%	Sept. 15	Aug. 31
Canadian Car, ord.	$1.75	43c	Aug. 31	Aug. 15
Do., pref.	$1.75	43c	Oct. 10	Sept. 25
Can. Northern Power, com.	80c.	20c	Oct. 26	Sept. 30
Do., pref.	7%	1¾%	Oct. 15	Sept. 30
Can. Converters	4%	1%	Aug. 15	July 31
Cons. Industries	80c	20c	Aug. 1	July 15
Can. Pr. & Pap. Invest. pfd.	5%	1¼%	Aug. 15	July 20
Cedars Rapid Mfg.	$3	75c	Aug. 15	July 31
Cons. Sand & Gravel pref.	7%	1¾%	Aug. 15	July 31
Cosmos Imperial pfd.	7%	1¾%	Aug. 15	July 31
Cities Service 30c	2½c+‡½%		Sept. 1	Aug. 15
Distillers Corp.-Seagrams	$1	25c	Aug. 15	July 31
Disher Steel "A" pref.	$1.50	37½c	Aug. 1	July 15
Dominion Tar, pref.	6½%	1⅝%	Aug. 1	July 6
Dominion Bridge	$3	75c	Aug. 15	July 31
Dominion Scottish Ins. pfd.	...	62½c	Aug. 1	July 20
East Kootenay Power pfd.	7%	1¾%	Sept. 15	Aug. 31
Eastern Dairies	$1	25c	Aug. 1	June 30
Eastern Theatres, com.	$2	50c	Sept. 1	July 31
Do., pref.	7%	3½%	July 31	June 30
Ford Hotel, com.	...	50c	Aug. 1	....
Do.	...	50c	Oct. 31	....
For. Pr. Secs. pref.	6%	1½%	Aug. 15	July 31
Foundation Co.	$1	25c	Aug. 15	July 31
Frost Steel 1st pref.	7%	1¾%	Aug. 1	July 18
Do., Class "A" pfd.	7%	1¾%	Aug. 1	July 18
Gt. Brit. & Canada Inv. pref.	5%	2½%	Oct. 1	Sept. 19
Granby Cons. Mining	...	25c	Aug. 1	....
Guelph Carpet & Worsted com.	$1	25c	Aug. 1	July 20
Do., cum. conv. pfd.	6½%	1⅝%	Aug. 1	July 20
Hinde & Dauch Paper pfd.	6%	1½%	Aug. 1	July 15
Hollinger Cons. Gold	65%	1%	Aug. 12	July 29
Hamilton Bridge, pref.	6½%	1⅝%	Aug. 1	July 15
Humberstone Shoe	$2	50c	Aug. 1	July 15
Inter. Nickel, pref.	7%	1¾%	Aug. 1	July 2
Imperial Bank	12+1%	3%	Aug. 1	June 30
Lake of the Woods Mill. pfd.	7%	1¾%	Sept. 1	Aug. 15
C. W. Lindsay, com.	$1	25c	Sept. 1	Aug. 15
Do., pfd.	6½%	1⅝%	Sept. 1	Aug. 15
McCall Frontenac	60c	15c	Sept. 15	Aug. 15
McIntyre Mines	20%	5%	Sept. 1	Aug. 1
MacKinnon Steel pref.	7%	1¾%	Aug. 1	July 15
Montreal L. H. & Pr.	$1.50	38c	July 31	June 30
Montreal Loan & Mortgage	$3	75c	Sept. 15	Aug. 31
Nova Scotia L. & P. pfd.	6%	1½%	Sept. 1	Aug. 15
Northern Ont. Power pfd.	6%	1½%	Oct. 26	Sept. 30
Do., com.	$2	50c	Oct. 26	Sept. 30
Ontario Equitable	6%	3%	Aug. 1	July 15
Ontario Steel Products com.	80c	20c	Aug. 15	July 31
Do., pref.	7%	1¾%	Aug. 15	July 31
Power Corp. com.	$2	50c	Aug. 20	July 31
Do., pref.	6%	1½%	Oct. 15	Sept. 30
Penmans	$4	$1	Aug. 15	Aug. 5
Do., pref.	6%	1½%	Aug. 1	July 21
Royal Bank of Can.	12+2%	3%	Sept. 1	July 31
Russell Motor	4%	¾%	Aug. 1	July 15
Do., pref.	7%	1¾%	Aug. 1	July 15
Service Stations pref.	6%	1½%	Aug. 1	July 15
Do., Series "A" pref.	6%	1½%	Aug. 1	July 15
Southern Can. Pr. com.	$1	25c	Aug. 15	July 31
Do., pref.	6%	1½%	Oct. 15	Sept. 19
Steel of Canada	$1.75	43¾c	Aug. 1	July 7
Do., pref.	$1.75	43¾c	Aug. 1	July 7
Simpson's Ltd., pref.	6½%	1⅝%	Aug. 1	July 20
Do., Class "A"	$2	50c	Aug. 1	July 20
St. Lawrence Flour pfd.	7%	1¾%	Aug. 1	July 20
Standard Pav. & Mat. cum. pfd.	7%	1¾%	Aug. 15	July 31
Standard Steel pref. "A"	$3	75c	Oct. 1	Sept. 15
Teck Hughes	60c	15c	Aug. 1	July 17
Weston, Geo., pref.	7%	1¾%	Aug. 1	July 20
Western Steel Prod., 1st pref.	6½%	1⅝%	Aug. 1	July 15
Wood, Alex. & James 1st pfd.	7%	1¾%	Aug. 1	July 21

*Bonus. †Adjusting. ‡½ of 1% stock payment.

Listed Bond Quotations

Week Ending July 27

Montreal	Int. Rate	Due	Yield	Latest Ask	High	Low	Range 1931 High	Low
Abitibi, 1st mtge.	5	1953	...	...	...	...	78	49
Asbestos	5	1942	5.00	105	...	...	100	...
Asbestos, 1st mtge.	6	1941	...	16	...	...	20	15
Do., gen. mtge.	6	1956	...	14	...	...	x41	25
Can. Cons. Rub.	6	1946	...	†102½	...	...	x102¾	102½
Can. Cottons	5	1940	6.88	†91	...	...	91	88
Can. Forgings	6	1942	6.00	†100	...	...	100	...
Can. Locomotive	6	1951	...	†62	...	...	x96	...
Can. Pr. (La. Ser.)	5½	1958	...	...	7	7	28½	5
Do. (Way Ser.)	5½	1958	...	...	7	7	28½	5
Can. S. S. deb.	5	1943	...	...	...	...	x98½	94
Cedars Rapids	5	1953	4.66	†105	...	...	105	101
Dom. Canners	6	1940	...	†103½	...	...	x103	...
Dom. Coal.	5	1940	5.28	99½	...	...	98¾	98½
McNish	6	1948	...	†102¼	2.25	2.25	3.25	2.00
Mex. L. & Pr.	5	1940	10.05	...	...	...	73½	70½
Mont. L. H. & Pr.	4½	1932	...	...	...	...	x100	98⅝
Mont. Tr. 1st mtge.	5	1941	4.96	†100⅛	...	...	101½	99½
Mont. Tr. "A"	5	1955	5.33	94¼	95½	95½	95½	91
Mont. Tr. G. & R. "B"	5	1955	5.51	†94¼	...	...	95½	91¾
Do. "C"	4½	1955	5.64	...	...	...	85	84
Do. "D"	5	1955	5.39	†94¼	...	...	95½	91¾
Northern Elec.	5	1939	4.76	†101½	...	...	101½	...
N. S. Steel	5	1959	9.28	...	...	...	62½	58
Ogilvie Flour "A"	6	1932	5.35	†100¼	...	...	100⅝	100
Do. "B"	6	1932	...	†100¼	...	...	x108	101
Do. "C"	6	1932	5.73	...	100¼	...	103	100
Ont. Steel	6	1943	...	106¾	...	...	...	...
Porto R. Pr.	5	1936	6.79	†92½	...	...	93	92
Steel of Can.	6	1940	5.08	...	...	...	107½	106⅝
Wayagamack	6	1951	...	...	44	...	75	45
West. K. Pr.	6	1940	5.15	...	...	...	106	...
Winn. Elec.	5	1935	5.12	†99⅝	...	...	99½	98¾
Toronto								
Canada Bread	6	1941	5.86	102	101½	...	101½	101
Steel of Can.	6	1940	5.12	...	...	...	106½	...
Dominion Govt. Bonds (Montreal)								
War Loan	5	1931	....	100.40	100.00	100.00	101.70	100.00
Do.	5	1937	3.58	107.25	....	....	108.15	104.00
Victory Loan	5½	1933	3.65	104.40	104.10	104.05	105.25	103.00
Do.	5½	1934	4.15	104.40	104.25	104.15	105.30	102.95
Do.	5½	1937	3.70	110.90	110.30	....	112.40	107.05
Do., refund	4½	1940	4.28	101.90	101.90	101.50	102.80	99.55
Do., refund	5	1943	4.33	106.35	106.40	106.00	106.70	103.50
Do., refund	4½	1944	4.30	101.75	101.90	....	102.30	100.00
Do., refund	4½	1946	4.32	102.00	101.95	....	112.12	99.70
Do., renewal	5½	1932	3.77	102.45	102.50	....	103.35	101.60
Conversion Loan	4½	1956	4.42	102.00	101.85	101.85	102.10	101.45
Do.	4½	1957	4.45	102.65	....	....	102.65	102.20
Do.	4½	1958	4.37	104.30	104.40	....	104.60	103.95
Do.	4½	1959	4.44	104.25	104.25	....	104.75	104.10

xQuotations for 1930. None recorded in 1931 to date.
†Latest bid.

Winnipeg Grain Prices

Week to July 28

Crop Year from Aug. 14 High	Low		Open July 22	High for week	Low for week	Close July 28
		Wheat				
.77½	.52½	July	.57¾	.57⅞	.51½	.53⅝
.70⅜	.53¼	Oct.	.59¾	.60	.53¼	.55⅝
.67½	.54¾	Dec.	.61	.61⅛	.54¾	.56¾
		Oats				
.33½	.26¾	July	.29⅝	.29⅞	.29¼	.28¾
.34⅛	.27¾	Oct.	.31⅜	.31⅝	.29¾	.30
.33½	.29	Dec.	.31½	.31⅜	.29½	.29¾
		Barley				
.35	.23½	July	.32⅝	.33⅞	.30⅝	.31¾
.36¾	.25½	Oct.	.34½	.34⅞	.32	.33¼
.37⅝	.32½	Dec.	.35½	.35⅝	.32¼	.33¾
		Flax				
1.23½	.95½	July	1.19	1.19¾	1.16	1.17½
1.25¾	.95½	Oct.	1.21½	1.23½	1.17¾	1.19
1.27	1.06½	Dec.	1.22¾	1.22¾	1.19¾	1.20½
		Rye				
.41½	.25½	July	.33⅝	.34¼	.30½	.31¼
.40⅜	.31⅛	Oct.	.35⅝	.35¾	.31⅛	.33
.42	.33	Dec.	.37½	.37½	.33	.34¼

Unlisted Canadian Securities

(Furnished by A. J. Pattison Jr. & Co. Limited

July 28, 1931

Industrial Stocks	Bid	Ask.
Acadia Sugar c.	.25	.45
Acadia Sugar pfd.	1.50	2.50
Allens Coll. pfd.	31.75	....
Allens London pf.	32.25	....
Andian Nat. Corp.	21.50	24.50
Brand.-Hend. c.	10.50	19.50
Brand.-Hend. pfd.	78.25	89.00
Brew. Corp. of Can. c.	....	.60
Brew. Corp. of Can. pfd.	5.50	7.00
B.C. Pulp & Pap. c.	2.25	....
B.C. Pulp & Pap. 7% pfd.	....	50.50
Canada Biscuit pf.	....	8.75
Canada Crushed Stone pfd.	....	75.00
Can. Dom. Sugar c.	15.00	17.00
Can. Mach. c.	5.25	8.00
Can. Mach. 7% pf.	22.00	30.00
Can. Pack. c.	14.00	18.00
Can. Pack. 7% pfd.	92.50	....
Can. Starch pfd.	70.25	....
Can. Wire & Cable pfd. w.w.	95.00	99.00
Can. Indust. c. "A"	113.00	135.00
Can. Indust. c. "B"	....	130.00
Can. Indust. 7% pfd.	122.00	130.00
Can. Investors c.	7.50	11.00
Can. Westing.	53.00	60.00
Chase, A. W., 8% pfd.	37.50	44.50
Cons. Oka Sand & Gravel pfd.	....	80.00
Copeland Flour 6% pfd.	....	15.25
Dom. Foundries & Steel pfd.	48.00	57.00
Dom. Foundries & Steel c.	5.00	8.00
Dom. Mfrs. pfd.	71.75	....
Dunlop Tire 7% pfd.	....	99.00
Eastern Car 6% pfd.	47.25	59.50
Edmonton Stock Yds. pfd. bonus	....	75.00
A. J. Freiman pf.	65.50	....
Goderich Elev. & Transit	13.75	15.00
Greening Wire 7% pfd.	91.00	96.00
Guard. Rlty. pfd.	51.00	....
Harding Carp. pf.	....	68.00
Inter-City Bak. c.	44.50	53.25
Internat. Proprietaries "A"	28.00	32.00
Loew's London c.	....	1.65
Loew's London 7% pfd.	1.50	3.00
Maritime Tel. & Tel. c.	14.00	16.00
Maritime Tel. & Tel. pfd.	13.00	14.50
Morrow Screw Nut 7% pfd.	94.00	....
Mt. Royal Hotel Scrip	....	2.50
Mt. Royal Hotel c.	2.25	5.00
Mt. Royal Hotel pfd. 6%	22.00	27.00
Nat. Grocers c.	.85	1.50
Nat. Grocers 2nd 7% pfd.	43.25	....
Para. Oshawa c.	10.50	....
Para. Oshawa pf.	32.00	....
Prov. Paper pfd.	....	80.00
Standard Clay Products c.	26.00	....
Standard Fuel pfd. bonus	73.00	80.50
Supertest Petroleum "B" pfd.	17.00	....
Toronto Brick pf.	68.50	....
Toronto Carp. c.	113.25	....
Toronto Carpet 8% pfd.	98.00	104.00
Toronto Elevator 7% pfd.	....	90.00
Toronto Hous. c.	25.50	35.50
Un. Amuse. "A"	18.75	25.50
Willards Choc. 8% pfd.	....	49.50
Willards Choc. c.	....	4.50

Insurance Stocks:	Bid	Ask.
Br. Amer. Assce.	42.50	....
Canada Life Ass.	625.00	....
Can. Fire Ins.	78.00	86.00
Capital Life 20% pd.	....	21.00
Commercial Life 10% pd.	....	12.00
Confederation Life 20% pd.	255.00	300.00
Continental Life 20% pd.	70.00	....
Crown Life	....	260.00
Dominion Fire	110.00	125.00
Dom. of Can. General Ins.	215.00	237.50
Dom. Life 50% pd.	295.00	345.00
Excelsior Life 30% pd.	102.00	127.50
Fed. Fire 25% pd.	30.00	....
Fidelity Ins. of Canada	....	97.50
Great West Life	475.00	525.00
Guarantee Co. of N. A.	247.50	....
Halifax Fire	15.00	19.00
Imperial Life	400.00	460.00
Mfrs. Life	340.00	375.00
Monarch Life 10% pd.	29.00	35.00
Nat. Life 25% pd.	115.00	150.00
Sask. Life 10% pd.	11.50	21.00
Sovereign Life 25% pd.	28.50	34.00
Sun Life Assur.	1,150	1,275
Western Assur. c.	43.25	49.00
Western Life 20% pd.	10.25	....
Trust, Loan & Bank Stocks:		
Br. Mtg. & Trust.	171.00	....
Can. Gen. Inv. Trust 1st	....	32.00
2nd Can. Gen. Inv.	7.00	9.00
Chartered Trust	102.50	112.25
Commer. Fin. pfd.	45.75	58.00
Deb. & Sec. c.	....	75.00
Deb. & Sec. pfd.	61.00	71.00
Eastern Trust	160.00	....
Guelph & Ont. Inv. par $50	59.00	68.75
Lambton Loan & Savings	76.75	....
London & Western Trust	....	176.00
Midland Loan & Savings	16.25	24.75
Mtge. Disc. pfd.	3.50	4.75
Provincial Bank	119.50	123.50
Sec. Loan & Sav.	112.00	....
Sherbrooke Trust	113.50	....
Sterling Trust	87.00	....
Traders Fin. pfd.	....	80.00
Trusts & Guar.	75.00	86.00
Waterloo Trust & Savings	130.00	....
Victoria Trust & Savings	170.00	....
Power Issues:		
B.C. Elec. Pwr. & Gas pfd.	103.25	105.75
Calgary Pwr. pfd.	92.00	96.00
Can. Light & Pwr. c.	20.00	30.00
Can. Northern Pwr. pfd.	105.00	....
Can. West Nat. Gas LH&P c.	52.00	....
Can. West Nat. Gas LH&P pfd.	85.00	89.00
Gt. Lakes Power pfd.	91.00	97.00
N.B. Pwr. 1st pf.	61.50	....
N.B. Tel. c.	12.00	15.00
N.S. L&P c.	66.00	71.00
N.S. L&P pfd.	93.50	97.00
Ottawa LH&P 6½% pfd.	102.50	105.00
Pwr. Corp. 6% pfd.	96.00	100.00
Recent London Quotations:		
Brewer Distillers	....	3s. 9d.
Can. & For. Sec.	....	7s. 6d.
Can. West. Lumber	...	1s. 9d.
Hudson's Bay	....	22s. 6d.
Do., 5% pfd.	....	65s.
Internat. Holdings	..	52s. 6d.
Nfld. Pr. & Pap. deb. stk.		99
Trust & Loan of Can. (15s. pd.)	....	7s. 6d.

Active Current Bond Prices

	Bid	Asked	Yield
Dominion of Canada 5½/33	104.	104.75	3.37
Dominion of Canada 5½/34	104.	104.75	3.95
Dominion of Canada 5/43	106.25	106.75	4.25
Dominion of Canada 4½/46	101.75	102.25	4.28
Dominion of Canada 4½/56	101.75	102.25	4.35
Dominion of Canada 4½/58	104.25	104.75	4.20
C. N. R. (Dom. of Can. Guar.) 5/54	105.50	106.50	4.55
C. N. R. (Dom. of Can. Guar.) 4¾/55	102.25	103.50	4.50
C. N. R. (Dom. of Can. Guar.) 4½/56	100.75	101.50	4.40
C. N. R. (Dom. of Can. Guar.) 5/69	106.	107.25	4.60
Province of Ontario 4½/44	99.25	100.25	4.45
Province of Ontario 5 /48	105.25	106.75	4.40
Province of Ontario 4¾/70 (Hydro)	103.	104.	4.50
Province of Quebec 4½/56	100.	101.	4.42
Abitibi Power & Paper 5/53	54.	58.	9.75
Argentine Gov't. 6/58 Ser. B	76.25	77.75	8.00
Beauharnois Power 6/59	83.	84.	7.35
Bell Telephone Co. of Canada 1st, 5/57	106.50	107.50	4.55
Brazil, U. S. Ext. S. F. 6½/57	51.	52.	10.50
British Columbia Power 5/60	95.75	97.	5.20
British Columbia Power 5½/60	102.	103.50	5.25
British Columbia Telephone 5/60	100.	101.50	4.90
Calgary Power 5/60	95.50	97.	5.20
Canada Brewing 5/42	102.	105.	4.40
Canada Cement 1st Mtge. S. F. 5½/47	98.	100.50	5.45
Canada Gypsum Lime & Alabastine 5½/48	83.	90.	6.50
Canada Northern Power 5/53	90.50	93.	5.55
Canada Steamship Lines 1st & Gen. 6/41	45.	55.	12.00
C. P. R. Collateral Trust 5/54	103.	104.	4.60
C. P. R. Secured 4½/44 Notes	97.50	100.	4.50
Chile Republic Ext. S. F. 6/60	40.	42.75	...
Colombia Republic Ext. S. F. 6/61	69.	69.50	9.50
Davies, Wm. 6/42	93.	97.	6.25
Dominion Canners 6/40	102.50	105.50	5.25
Dominion Square Corporation 6/48	78.	82.	7.90
Dominion Tar & Chemical 6/49	95.	99.	6.10
Dominion Textile 6/49	105.50	107.	5.35
Duke Price Power 1st, 6/66	103.	105.	5.70
Eastern Dairies, Convertible 6/49	98.	101.	5.90
Eaton, T. Realty, 5/49	94.50	97.	5.25
Famous Players 6/48	92.	98.	6.20
Federal Grain 6/49	70.	80.	8.10
Foreign Power Securities Corp. 6/49	83.	89.	7.10
Fraser Companies 6/50	25.	35.	15.00
Gatineau Power, 1st Mtge. 5/56	90.25	92.	5.60
Gatineau Power, S. F. Debs., 6/41	85.	90.	7.40
General Steel Wares 6/52	57.	63.	10.00
Howard Smith Paper Mills 5½/53	60.	65.	8.50
Harris Abattoir 6/47	98.	101.	5.90
Manitoba Power, 1st, S. F. 5½/51	85.	89.	6.50
Maple Leaf Milling 5½/49	88.	93.	6.10
Massey-Harris, 1st Mtge. 5/47	60.	65.	7.50
MacLaren Quebec Power 5½/61	93.	95.	5.85
Montreal Coke, 1st S. F. 5½/47	102.	103.	5.20
Montreal Island Power 5½/57	99.50	101.	5.40
Montreal Light, Heat & Power 5/51	104.50	106.	4.35
Montreal Tramways 1st, Coll. Trust 5/41	101.	102.	4.75
Montreal Tramways Gen. Ref. 4½/55	85.	87.50	5.45
Montreal Tramways 5/55	93.50	95.	5.35
Moodie, J. R. 6/48	97.	100.	6.00
Ogilvie Flour Mills 6/32	100.50	102.	4.30
Ontario Power Service 5½/50	81.	85.	6.90
Ottawa Valley Power 5½/70	99.50	101.	5.45
Power Corporation of Canada 4½/59	83.	87.	5.40
Price Bros. 1st S. F. Ser. "A" 6/43	92.	98.	6.25
Quebec Power 1st, Mtge. Coll. S. F. 5/68	101.	103.	4.80
Shawinigan Water & Power 4½/70	97.	98.50	4.60
Shawinigan Water & Power 5/70	104.	105.50	4.72
Simpsons 6/49	96.	100.	6.00
Southern Canada Power 1st, 5/55	102.50	103.50	4.75
United Securities Coll. Trust 5½/52	99.	101.	5.50
West Kootenay Power 5/56	100.	101.50	4.85
Windsor Hotel 6½/43	102.50	104.50	5.90
Windsor Hotel 6/47	94.	100.	6.00
Winnipeg Electric 5/35	99.50	101.50	4.55
Winnipeg Electric 6/54	85.	90.	6.83

Canadian Bonded Grain in U. S.

Quotations on New York Produce Exchange, Basis Buffalo
Week of July 28

High to date†	Low		Close July 21	High for week	Low for week	Close July 28
		Wheat				
.68½	.57	July	.61½	.61	.57	.58⅞
.70½	.57	Oct.	.63⅝	.63½	.57	.59
.70½	.59¾	Dec.	.65½	.65⅛	.59¾	.61⅜
		Rye				
[illegible]	[illegible]	July	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	Oct.	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	Dec.	[illegible]	[illegible]	[illegible]	[illegible]

†Since trading opened March 3.

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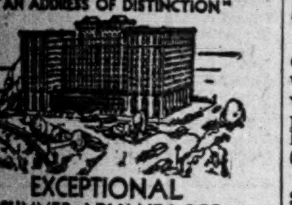

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NAT. STEEL CAR COVERS DIVIDEND CAPITAL STOCK

Volume of Business Shows Marked Decline

From Our Own Correspondent

MONTREAL—The cyclical nature of the railroad equipment business is forcefully demonstrated in the financial statement of National Steel Car Corp. for the year ended June 30, 1931, which reveals net earnings of $440,595, as compared with $1,803,791 in the previous year.

After provision of $100,000 for depreciation there remained a sum equal to $2.61 a share on the 130,000 common shares outstanding, as against $8.83 in the preceding period. The stock is on a $2 dividend basis.

Production Declines

In the fiscal period the total production of all products manufactured and shipped amounted to $6,339,601. In the previous year this figure stood at $18,580,950, which included a carry-over from the preceding year of $13,000,000.

In his report to shareholders, Robert J. Magor, chairman and president of the company, states that the carry-over of business and net earnings resulting from same, will represent a substantial contribution toward the operations of the new fiscal period which commenced on July 1.

Comparison of Income

Following is a comparison of profit and loss figures for the past two years ended June 30:

	1930-31 $	1929-30 $
Oper. profit	440,595	1,803,791
Bond interest	......	......
Balance	440,595	1,803,791
Depreciation	100,000	*655,984
Balance	340,595	1,147,807
Dividends	260,000	260,000
Surplus	80,595	887,807
Sale of stock	......	......
Prev. surplus	5,539,365	4,651,558
Cap. surplus	5,619,960	5,539,365

Note: (*) Including $250,000 special write-off for buildings and equipment.

Due to the smaller turnover, total current assets at June 30, 1931, were reduced to $2,571,930 from $2,936,737 at the end of the preceding year. Current liabilities, however, were reduced by a greater amount and working capital has been increased from $1,555,629 to $1,693,510, a gain of $137,881.

The most marked reduction in current assets is in inventories valued at $372,719, which compares with $1,675,945 at the end of the previous year. Accounts receivable, however, are higher by about $937,000 at $1,442,011.

Cash is lower by about $7,000 at $13,866, while call loans and investments are shown at $639,090, a decrease of about $11,000. Cash surrender value of a life insurance policy is still carried at $82,000, while sundry investments and advances are higher by $19,000 at $22,242. During the year, $36,555 was spent on plant improvements, increasing the value of fixed assets to $6,018,481.

Bank Loans Higher

In liabilities, bank loans have been increased by $78,000 to $155,824, while accounts payable have been reduced from $1,188,588 to $684,456. Miscellaneous reserves are $3,000 lower at $22,638.

Reserve for depreciation has been increased by $100,000 to $2,010,819 and capital and surplus is higher by $80,595 at $5,619,960.

Shareholders are told in the report made by President Magor that the closest possible study and attention is being given to maintaining the property and increasing its operating efficiency, so that the maximum results can be secured during active periods of production and maximum savings during periods of sub-normal production.

C. P. R. EARNINGS FOR HALF YEAR ON LOWER SCALE

Net Earnings Fair Considering Drop in Gross

From Our Own Correspondent

MONTREAL.—Gross earnings of the Canadian Pacific Railway during the first half of 1931 showed a drop of $14,570,596, as compared with the corresponding period last year. Through stringent economies in the way of salary cuts, reduced train schedules, etc., the management was able to make marked cuts in expenses, so that net earnings for the six months only fell off by $1,422,810.

For the first six months of this year gross earnings totalled $70,506,218. This compares with $85,075,814 for the initial half of 1930. Operating expenses were kept in hand, and net earnings for the period just passed totalled $8,138,118 as against $9,560,929 last year.

Other Income Lower

Though no official information has been given out in respect to "special income," it is generally understood that the company will receive less from that source in 1931 than was the case in 1930. Steamship traffic, telegraphs, hotels and other subsidiary activities have been affected by the slowing up of business and revenue from those services will undoubtedly be lower.

A similar condition exists as regards income from investments. One of the principal holdings of the company is in the stock of Consolidated Mining and Smelting Co. Instead of paying a cash bonus, this company recently made payment in stock. On the current price basis, the bonus stock will not bring in as much revenue as when the company paid the dividend in cash.

Last Half Tells

The financial showing of the Canadian Pacific this year will depend largely upon railway earnings in the next six months. So far there has been no indication of a return to a normal grain movement. The short crop in Canada is offset by the large crop in the United States so that foreign buyers have been holding back.

No Stamp Needed On Small Cheques

All cheques of $5 and under will be exempted from the 2 cent stamp impost on and after August 1 according to an amendment to the Special War Revenue Act, submitted to and passed by the House of Commons this week. Since July 1, all cheques have been subject to the 2 cent tax, but as a result of representations on behalf of farmers and dairy producers who feel the effect of this tax on hundreds of thousands of cream cheques which are sent out every week in various parts of Canada and which range from 30 or 50 cents to a few dollars each, the $5 exemption has been allowed.

No announcement has been made officially as yet as to whether or not postage stamps will be allowed in place of excise stamps, but in view of the discussion which took place at Ottawa on this point a few weeks ago, it is highly probable that either kind of stamp will be allowed.

2ND ROYALTIES CHANGE POLICY OF INVESTING

Report as at March 31 Shows Working Capital Reduced

Consolidated balance sheet of Second Standard Royalties, Ltd., as at March 31 last shows total assets of $7,878,472 as against $7,877,275 on Dec. 31, 1930. Current assets at $80,669 and current liabilities of $36,264 show a ratio of 2.22 to 1 in comparison with 2.13 to 1 at the end of 1930. As at Dec. 31, 1929, current assets totalled $323,318 and were 6.17 times current liabilities.

The sinking fund investment account as at March 31, 1931, showed $329,311 as against $288,376 at December 31, 1930, while the reserve for depletion of oil royalties was $336,662 as against $295,726. Other accounts showed little or no change over the three months' period.

Royalty income for the quarter totalled $45,428, which is at the approximate rate of $182,000 per annum, and which would compare only with $408,688 during 1930 in reflecting the over-production and proration troubles of the oil industry. Net profit for the quarter was $2,212 which was carried forward and shown in the balance sheet as surplus subject to income tax.

Organized in 1928 the company has been investing in producing oil royalties in the central and mid-continent fields in United States, and has an outstanding capitalization consisting of 2,833,300, 12 per cent preference shares, $1 par value.

The initial dividend on the preferred shares was paid May 1, 1929, and regularly thereafter, 1 cent per share monthly, to and including Oct. 1, 1930, when payment was deferred.

Shareholders held a meeting in September, 1930, to discuss plans for the reconstruction of the company having in mind using the sinking fund investment account for reinvestment in oil royalties or for redemption of capital stock. Several shareholders took exception to this scheme, although a majority were said to be in favor. Upon application to the courts the objections were heard and a judgment handed down refusing confirmation.

This placed the company in a position where, due to low crude oil prices and general curtailment of operations, sufficient revenue only was found to keep the sinking fund reserve up to date and meet general expenses.

In June last, a proposal was put forward and ratified by shareholders whereby $300,000 of the sinking fund was to be distributed to preferred shareholders. After paying the charges of the trustee for handling the transaction, the balance was to be placed in the treasury to strengthen the working capital position. A revision in the company's charter was also ratified by shareholders calling for preference holders to receive all profits until such time as their capital had been returned, plus dividends at the regular rate of 12 per cent cumulative per annum, after which common shareholders are to be entitled to all profits. Supplementary letters patent were obtained confirming the alterations in the articles of incorporation on June 20 last.

Early Run of Sockeye Indicates Fair Catch

From Our Own Correspondent

VANCOUVER.—A fair catch of sockeye is indicated by reports received from the west coast by various B. C. packing companies.

Fishing has been in progress since June 20 and the pack to date is close to 150,000 cases. While this is less than the pack last year, when 185,000 cases were handled during the corresponding period, it is ahead of the previous four years.

When the record pack of 1927 was taken in, only 104,000 cases had been put up during the period under review. This is the year of the big run of pinks on the Fraser, but unless the market improves canners are not likely to show much enthusiasm.

The sockeye catch for the period ending July 18 for the past five years follows: 1931, 149,596 cases; 1930, 185,127; 1929, 127,156; 1928, 112,116, and 1927, 104,891.

Weighted Mining Index

The weighted index number of twenty mining stocks computed by the Dominion Bureau of Statistics on the base of 1926=100, was 68.3 for the week ending Juyl 23rd, as compared with 68.6 for the previous week.

Eleven gold stocks fell from 67.2 to 66.2, four gold-copper stocks rose from 77.8 to 79.8 and five silver and miscellaneous stocks from 31.7 to 32.0.

GERMAN TROUBLE CAUSES NEW LOW ON WHEAT MART

Clearing Up of Europe's Financial Cloud is All-Important

From Our Own Correspondent

WINNIPEG. — The extreme weakness of the wheat market, which brought new lows during the past week was mainly a reflection of the German financial situation, and the fact that continental purchasers have been for some time limiting both their immediate and forward commitments. Except for that fact some firming of the situation might have been expected, for while the United States winter wheat crop is the heaviest on record, the spring wheat crop, like that of Canada, will be decidedly light, and very large reductions of acreage are reported both from Australia. But all questions of prospects for the future have lately been subordinated to the emergent and immediate financial problem. A clearing up of that situation is the most important development to be watched for in the wheat situation.

Although the quantity of wheat fed to livestock in the United States since last harvest has been much less than was expected from the short corn crop of last year, a very large increase is possible within the next few months, because corn supplies are getting small, and the farm board is no longer buying wheat at above its real value to hold off the market.

Hield Bros. Operating Former Dom. Textile Mill

From Our Own Correspondent

MONTREAL.—Hield Bros., textile manufacturers, have started operations at their mill at Kingston, with 46 looms installed and prospects of an additional 20 looms being brought into production in the near future. It is hoped to bring this number up to 100 by the end of the year while the plant can accommodate 250 looms.

The firm will start weaving yarn imported from their English mill, but spinning equipment, it is stated, will be installed as soon as such a procedure is practicable. The mill was formerly the property of Dominion Textile Co. and was sold to the present owners in March, 1931, for $75,000. Dominion Textile Co. ceased production at this unit in June, 1929.

Canadian Quotations—Cont'd

Active Provincial & Municipal Bonds

Quotations furnished by A. E. Ames & Co. Limited.

Provinces	Rate	Actual Mat.	Next Int. Date	Price	Yield
Alberta	4½	1 Oct., 1958	1 Oct.	94.72	4.85
Alberta	5	1 July, 1943	1 Jan.	100.45	4.95
Alberta	6	1 Apr., 1936	1 Oct.	104.20	5.00
British Columbia	4½	1 Oct., 1953	1 Oct.	98.60	4.60
British Columbia	5	15 Jan., 1948	15 Jan.	103.42	4.70
British Columbia	6	15 Aug., 1941	15 Aug.	109.80	4.80
Manitoba	4	1 July, 1947	1 Jan.	91.14	4.80
Manitoba	5	2 June, 1953	2 Dec.	102.28	4.85
Manitoba	5	15 June, 1948	15 Dec.	101.35	4.85
New Brunswick	4½	1 June, 1948	1 Dec.	100.59	4.45
New Brunswick	4¾	15 June, 1936	15 Dec.	101.10	4.50
New Brunswick	6	1 Jan., 1936	1 Jan.	105.84	4.55
Nova Scotia	4½	15 Nov., 1948	15 Nov.	100.60	4.45
Nova Scotia	5	1 May, 1948	1 Nov.	104.60	4.50
Nova Scotia	6	1 Nov., 1936	1 Nov.	106.71	4.55
Ontario	4½	1 Sept., 1944	1 Sept.	101.00	4.40
Ontario	5	15 Oct., 1948	15 Oct.	106.64	4.45
Ontario	6	2 May, 1936	2 Nov.	107.00	4.43
P. E. I.	4	1 Apr., 1939	1 Oct.	96.67	4.50
P. E. I.	4½	1 Oct., 1944	1 Oct.	100.00	4.50
Quebec	4¼	1 May, 1961	1 Nov.	99.16	4.30
Quebec	5	1 June 1948	1 Dec.	104.08	4.65
Saskatchewan	4½	1 Oct., 1944	1 Oct.	95.60	4.95
Saskatchewan	5	1 Oct., 1950	1 Oct.	100.62	4.95
Saskatchewan	6	1 Feb., 1936	1 Aug.	103.99	5.00
Cities					
Montreal	5	1 Sept., 1963	1 Sept.	107.60	4.55
Toronto	4½	1 Sept., 1954	1 Sept.	100.72	4.45
Vancouver	4	1 Aug., 1946	1 Aug.	93.04	4.65
Winnipeg	5	1 Mar., 1944	1 Sept.	101.92	4.80
Edmonton	5½	1 May, 1945	1 Oct.	103.97	5.10
Calgary	5	1 Jan., 1943	1 Jan.	99.57	5.05
Halifax	6	1 July, 1951	1 Jan.	114.62	4.85
St. John	5	15 Dec., 1960	15 Dec.	103.80	4.70
Regina	4½	1 July, 1950	1 Jan.	93.91	5.00
Victoria	5	21 July, 1945	21 Jan.	101.51	4.85

Foreign Exchange

	New York Funds High	New York Funds Low	Last Year High	Last Year Low
	(Premium)		(Discount)	
July 22	7-16	11-32	9-64	5-32
July 23	15-32	13-32	5-32	5-32
July 24	15-32	13-32	1-8	9-64
July 25	13-32	3-8	5-32	21-128
July 27	1-00	11-32	5-32	11-64
July 28	11-32	1-4	5-32	5-32

STERLING, FRANCS AND LIRE

	Sterling Close	Francs Close	Lire Close
July 22	4.83 7-8	3.92 3-8	5.22 5-8
July 23	4.84 1-4	3.91 5-8	5.22 3-4
July 24	4.85 1-4	3.91 3-4	5.23 3-4
July 25	4.85 9-16	3.91 15-16	5.22 7-8
July 27	4.85 1-2	3.91 3-4	5.22 13-16
July 28	4.85 1-2	3.91 15-16	5.23

FOREIGN EXCHANGE

Par		July 14	July 21	July 28
5.26	Italian	5.23¾	5.22¾	5.23
23.80	German	22.34½	23.50	23.60
13.90	Belgian	14.00½	13.93¾	13.95½
49.80	Japanese	49.50	49.21	49.31

Mining Stock Quotations

Week Ending July 27.

Par Val.	Range 1931 High	Range 1931 Low	Company	Sales	Close July 20 (or last)	High for Week	Low for Week	Close
1	.23	.03	Abana	9,975	.05¼	.06	.03	.06
1	.03	.01	Aconda	500	.02	.02	.03	.02
1	.05¾	.03½	Adrien		.04¾			
No	.50	.12	Aldermac		.25			
1	.05	.00¾	Algonquin	35,501	.00¾	.01¼	.00¾	.01¼
1	.02½	.01	Amity C.		.01			
No	.45	.12	Amulet	21,630	.20	.18	.16	.17
1	.01	.00½	Argo. Cons.		.00½			
1	.02½	.01	Apex	178,000	.01¼	.01½	.01	.01¼
1	.05	.01	Area	500	.01¾	.02	.02	.02
1	.08½	.01	Arno	35,500	.03	.03	.02¾	.03
1	.01¾	.01½	Astoria		.01½			
1	.02	.00½	Atlas	1,000	.00½	.00½	.00½	.00½
1	.07	.05½	Bagamac		.06½			
1	.02½	.01	Baldwin		.01½			
1	.19½	.08	Barry Holl.	20,600	.10	.10	.09½	.09½
No	1.45	.75	Base Metals	600	1.05	1.05	1.00	1.00
No	.04	.00¾	Bathurst	1,000	.02	.01½	.01½	.01½
5	1.75	.60	B'Wana		.75			
1	.28	.26	Ben Nevis		.27			
No	.09½	.03½	Bidgood	67,500	.05	.05	.04¾	.05
1	.50	.18	Big Missouri	6,200	.25	.27½	.25	.27
1	.05½	.04¾	Blue Quartz		.04¾			
1	.12	.02	Bobjo	1,100	.03	.03¼	.03	.03
No	.01	.00½	Boischatel		.00½			
1	.08	.01¼	Brett Trethewey		.01¼			
1	.03	.03	Brit. Canadian		.03			
No	.12	.02½	Brownlee	29,300	.03	.03¼	.02¾	.03
1	.02	.00½	Buckingham		.00½			
1	.08½	.02	Bunker Hill	3,000	.02¾	.02¾	.02½	.02¾
No	.03	.01	Cal. Flin Flon		.01			
1	.02	.01	Cambro Kirk	2,000	.01	.01¼	.01¼	.01¼
No	.05½	.02½	Canam Metals	500	.02½	.03	.03	.03
1	.06½	.01½	Can. Kirk	13,500	.02	.01½	.01½	.01½
1	.02	.02	Can. Lorraine		.02			
1	.32½	.12	Canusa	1,500	.17	.13¼	.13	.13
1	.04¾	.00¾	Capital R.		.01			
1	.26¾	.15	Castle Tre.	1,000	.16	.15½	.15½	.15½
1	.23	.03	Cen. Manitoba	18,400	.10	.13	.11½	.12½
1	.17	.08	Cen. Patricia		.08			
1	.02	.01½	Champion R.		.02			
No	.59	.02	Chib. Pros.	500	.08	.07	.07	.07
No	.08	.02¼	Clericy	22,500	.02½	.02½	.02¼	.02¼
5	10.50	2.50	Coast Copper	30	3.12	4.00	1.00	4.00
1	.05½	.01¼	Cobalt Con.	2,500	.01¼	.03	.01½	.01½
1	.02	.00½	Col. Kirk		.01½			
1	.39	.05	Columario	21,300	.08	.08½	.07	.08
5	.85	.50	Coniagas	100	.80	.85	.85	.85
5	.62	.25	Coniaurum		.25			
25	188.25	71.25	Cons. Smelters	2,557	95.00	100¾	94	97¼
1	.01	.00½	Corona		.01			
1	.02½	.00½	Crown Res.		.01			
.	.29½	.26½	Crudome		.28½			
No	.17	.03	Dom. Explor.	24,800	.08	.08½	.07	.07½
1	.03	.00½	Dom. Kirk	2,500	.00½	.00½	.00½	.00½
No	13.40	9.00	Dome Mines	2,820	11.75	12.00	11.50	11.60
No	.33	.30	Don. Woolsey		.30			
1	.01	.00½	Don. Rouyn		.01			
1	.01	.00½	Dunkin		.00½			
1	.02½	.00½	Duprat		.02			
1	1.28	.20	Eldorado	40,865	.85	.92	.85	.92
No	1.70	.75	Falconbridge	1,425	1.25	1.20	1.10	1.10
1	.08½	.02	Federal		.03½			
No	.01½	.00½	Flintoba	1,500	.00¾	.00¾	.00¾	.00¾
No	.30	.07	Gem Lake	2,100	.09	.13	.08	.09
No	.04½	.02½	Gilbec	500	.02½	.04	.04	.04
1	.08	.02½	Goldale		.03½			
10	.25	.15	Goldfield		.18½			
1	.01½	.00½	Gold Hill		.00¾			
1	.11	.02½	Goodfish		.04			
1	.04	.00¾	Graham		.01½			
No	2.30	1.25	Granada	1,457	1.40	1.40	1.30	1.40
1	.12	.06	Grozelle	5,000	.11	.12	.12	.12
.	.30	.28	Halliwell		.28			
1	.03	.01	Harker	12,000	.01½	.01	.01	.01
1	.08½	.07½	Hayden		.08			
1	.04¾	.00¾	Hilltop	1,000	.01½	.01½	.01½	.01½
5	8.70	5.70	Hollinger	4,378	6.00	6.15	5.95	6.10
1	.38	.20	Howey Gold	18,100	.30	.32	.29¾	.32
No	6.30	3.25	Hudson Bay	565	4.25	4.20	3.95	3.95
No	.40	.30	Huronian		.33			
No	20.50	9.50	Int. Nickel	12,468	14.50	14¾	13	13
1	.03	.00½	Jackson M.		.00½			
1	.34	.23	Keeley	2,500	.23	.23	.23	.23
1	.04½	.00½	Keora M.	5,500	.01½	.01	.01	.01
1	.51	.27½	Kirk. Hud. Bay	1,200	.45	.51	.45	.51
1	.03	.01	Kirk. Hunton	2,000	.01½	.01½	.01	.01
1	.93	.54	Kirk. Lake	7,450	.61	.61½	.59	.60
1	.08	.01	Kirk. Prem.	7,500	.03	.02½	.02	.02
1	.13½	.05½	Kirk. Town	1,500	.10	.09¾	.09½	.09¾
20c	.02¾	.00¾	Koot. Flor.		.00½			
1	.02	.00¾	La Rose		.01½			
.	.69	.38	Lakeland	1,300	.46	.47	.46	.47
1	28.50	23.50	Lake Shore	905	26.50	27.00	26.00	26.25
1	.02	.01	Laval		.01			
1	.02	.01½	Lebel Oro		.02			
No	.35	.35	Locarno		.35			
1	.55	.10	Macassa	36,200	.39	.41	.37	.37
1	.12	.02	Malartic	3,000	.04	.04½	.04	.04
No	.15	.06	Mandy	500	.09	.07	.07	.07
No	.03	.02	Man. Basin	12,200	.03	.03	.02½	.02½
1	.55	.20	McKinley	125	.35	.30	.30	.30
5	26.50	20.00	McIntyre	1,645	22.00	22.00	21.50	21.50
No	.33	.08	McLeod River	130,450	.11¼	.19	.13	.17¾
1	.04	.04	McVittie		.04			
1	.29	.07	MacMillan		.07			
1	.01½	.00½	Millcrest		.01			
5	2.84	1.46	Mining Corp.	1,800	1.90	1.87	1.79	1.81
1	.10½	.01	Moffatt Hall	158,510	.08¼	.10½	.08¾	.10¾
1	.04	.02	Moneta		.03			
1	.00½	.00½	Mtl. Rouyn		.00½			
1	.63	.20	Moss	35,085	.37½	.38	.35	.35
1	.09	.01	Murphy	6,000	.02¼	.02½	.02¼	.02¼
1	.07¾	.02	Newbec	6,500	.04½	.04¾	.04	.04½
1	.40	.25	Nevada		.25			
1	.09	.02	Night Hawk	2,000	.03	.03	.03	.03
5	1.90	.80	Nipissing	1,050	1.20	1.16	1.00	1.00
No	29.65	14.00	Noranda	11,429	19.25	20.00	18.50	18.80
1	.50	.25	Nor. Canada	2,500	.32	.30	.29	.29
No	.03	.00½	Old Colony		.00½			
1	.01	.00½	Ophir		.00½			
1	.10½	.02½	Oriole	1,000	.03	.02½	.02½	.02½
1	.21	.07	Osisko		.10			
1	.25	.23	Parkhill		.23			
1	.15	.14	Patricia Dent		.14½			
1	.04	.01½	Pawnee Kirk		.03			
No	1.61	.60	Pend Ore	275	.70	.72	.70	.70
1	.04½	.01	Pete. Cobalt	1,500	.01½	.01½	.01½	.01½
.	.50	.10	Phy. Molybd	1,000	.50	.10	.10	.10
1	.01½	.00½	Picard		.00½			
1	.12	.07	Pioneer		.08			
1	.02½	.00½	Porc. Crown		.00½			
1	.02	.00¾	Potter Doal		.00¾			
1	.45	.36	Powell Ryn		.36			
1	.99	.65	Prem. Gold	2,000	.65	.69	.65	.67
1	.02½	.00½	Preston E. Dome		.00½			
1	.25	.13	Quemont		.16½			
1	.05½	.00½	Ribago	142,400	.05½	.05½	.03½	.04
1	.34	.24	Rich. Rock		.33			
1	.15	.02	Ritchie	7,500	.02½	.02½	.02½	.02½
1	.04	.00¾	R. Montbray		.01¾			
1	.05	.04	Rubec		.04			
No	.25	.10	San Antonio	3,500	.15	.16	.15	.15
1	.21	.15	Seven Troughs		.15			
1	1.25	.49	Sherritt G.	5,411	.63	.68	.61	.62
1	.55	.36	Siscoe	31,650	.48	.48	.46	.46
1	.18	.02	So. Keora	2,200	.04	.04½	.04½	.04½
No	.05	.01½	Stadacona	7,300	.02	.02	.01¾	.01¾
1	.30	.03½	St. Anthony	10,500	.14½	.14	.12	.12
No	.82	.35	Sud. Basin	835	.40	.41	.35	.35
1	.03	.01	Sud. Contact	1,000	.02	.01½	.01½	.01½
1	.03½	.00½	Sudbury M.		.00½			
No	.04¾	.01	Sudbury N.	5,000	.03	.03	.03	.03
1	.18	.09	Sullivan	1,500	.11	.10½	.10	.10
1	1.14	.48	Sylvanite	6,000	.67	.67	.66	.67
1	.20½	.04	Tashota	6,000	.07½	.09	.08	.08
1	8.65	6.15	Teck Hughes	8,695	6.75	6.70	6.40	6.50
1	.10½	.01	Telluride		.01			
1	.01¾	.01½	Temiskaming		.01½			
1	.06½	.02¼	Thom. Cad'c.	1,100	.03	.02½	.02½	.02½
1	.02½	.00½	Tough Oakes		.01			
1	.63	.17	Towagmac	1,020	.25	.30	.30	.30
No	2.65	1.00	Treadwell		1.25			
No	2.85	2.40	Tri-Metals		2.85			
.	.15	.04	United Kirk	3,500	.04½	.05	.04	.04
.	.03	.01	Vacuum Gas	6,500	.02	.02½	.01¾	.02½
No	.86	.35½	Ventures	1,1815	.45	.45	.41	.42
1	.15	.01½	Vickers		.07			
1	1.22	.70	Vipond	2,675	.72	.75	.70	.72
No	2.00	.90	Waite Ack.	200	1.30	1.15	1.10	1.10
1	.02½	.01	West Tree		.01			
1	.27	.05	White Lake	1,100	.09	.09	.08½	.09
1	.06	.02	Wiltsey		.04			
No	.01½	.00½	Windfall R.		.01			
.	.13	.04	Wood Kirk	1,000	.07	.04	.04	.04
No	3.02	1.85	Wright-Har.	4,932	2.78	2.80	2.68	2.71

WESTERN OIL STOCKS

Par Val.	Range 1931 High	Range 1931 Low	Company	Sales	Close July 20 (or last)	High for Week	Low for Week	Close
1	.30	.16	Acme	35,500	.16	.19	.16	.18½
No	.50	.50	Advance		.50			
1	.37½	.10	Alta. Pac.	1,350	.10½	.14	.10	.10
1	.08	.07	Amalgamated		.08			
No	.25	.05	Associated	100	.08	.08	.08	.08
1	1.89	1.10	Ajax	3,700	1.20	1.18	1.14	1.16
No	.12	.02	Baltac	1,100	.02	.03½	.03	.03
1	.07	.05	Black Dia.		.05			
1	.33½	.09½	Brit. Dom.	100	.10	.09½	.09½	.09½
1	.32	.05	Calmont	10,618	.08	.07	.05	.05
No	.82	.25	Calgary & Ed.	1,575	.26	.35	.26	.30
1	.47	.12	Comm. Pete.	1,900	.16	.14	.14	.14
No	.60	.19	Dalhousie	1,532	.22	.25	.20	.20
No	.08	.02	Devenish		.02			
No	.12	.04	Dome Oil	2,000	.04	.03	.03	.03
No	.69	.15	E. Crest	1,000	.17	.16	.16	.16
1	.05	.01	Fabyan Pete.	32,000	.01	.01	.01	.01
No	.60	.20	Foothills		.25			
No	.18½	.04	Freehold	500	.04½	.04½	.04	.04
1	.02	.01	Great West		.02			
No	.17	.05	Hargal	2,500	.06	.06½	.05	.05
No	.10	.03½	Herron Pete		.03½			
No	.07½	.02	High Sarcee	11,800	.02	.02	.02	.02
No	2.00	.48	Home	3,320	.53	.56	.49	.49
No	.22	.05½	Homestead	1,100	.05¾	.05½	.05½	.05½
1	1.70	.61	Homest'd O. & G.	3,600	.65	.70	.61	.61
1	.08½	.00¾	Ill. Alta.	5,850	.01	.01¾	.00¾	.00¾
No	.70	.10½	Lowery		.20			
1	.05	.00½	Madison		.00¾			
1	.85	.20	Mayland	2,400	.20	.20	.20	.20
No	.11	.03	McD. S. Ex.	2,800	.03	.03	.03	.03
1	.29	.03	McD. S. N.	2,100	.03½	.04	.03½	.03½
1	.72½	.25	McLeod	125	.33	.30	.30	.30
No	.39	.11	Mercury	12,350	.11	.12	.10	.10
No	.20	.07	Merland	4,000	.08¼	.07½	.07½	.07½
1	.18	.08	Mid West		.10			
No	.38	.10	Mill City Pete.	372	.11	.11	.10	.10
1	.49	.11	Model	2,450	.11	.13	.11	.13
1	.18	.03	Monalta		.08			
1	.31	.07	Moose M.		.07			
1	.04	.02	New Federal		.02			
No	.56	.15	Nordon	10,250	.21	.19	.17	.17
No	.11	.02¾	Oil Select	7,500	.05	.05½	.05	.05
No	.28	.04½	Okalta	3,300	.07	.06	.05	.05½
100	27.00	15.00	Do., Pref.		15.00			
No	.22	.05	Olga Gas & Oil	151,350	.10	.16	.12	.15
1	.37½	.20	Petrol	2,700	.22	.22½	.22	.22½
No	.28	.02	Penn. Pete.	12,500	.04	.04	.02¾	.04
No	.25	.09	Ranchmen's	2,000	.10	.10½	.10½	.10½
1	.05	.01½	Regent		.01½			
No	.13	.02	Richfield	1,400	.03	.02	.02	.02
No	17.75	6.25	Royalite	320	7.00	7.00	7.00	7.00
1	.82	.30	Sarnia Oil	40,500	.39	.45	.36	.37
1	.06½	.01	Signal Hill		.03			
No	.27	.10	So. West Pete.		.10			
1	.60	.12	Spooner	1,020	.12	.15	.13	.13
No	.19	.09	Sterling Pac.	100	.10½	.09	.09	.09
.	.15	.15	Turner Basin		.15			
1	.16	.12	Turner Valley		.12			
No	.31	.09	United	555	.12	.12½	.11	.12
1	.15½	.08	Vulcan	1,140	.09	.10	.09	.10
No	.05	.00½	Wainwell	14,500	.01	.01¾	.00¾	.00¾
1	.28	.08	Waite Valley		.12			

VANCOUVER STOCK EXCHANGE
(Transactions for Week to July 22)

Par Val.	Range 1931 High	Range 1931 Low	Company	Sales	Close July 20 (or last)	High for Week	Low for Week	Close
25c	.01	.00½	Bayview		.00½			
25c	.07	.01	Beaver Silver		.05			
25c	.02½	.00½	Bluebird	6,800	.02	.02	.01½	.02
25c	.70	.50	B. C. Silver		.50			
25c	.02	.00¾	Cork Province		.01			
1	.20	.12	Cotton Belt	1,300	.15	.20	.16	.20
1	.04	.02	Dunwell		.02			
1	.10	.04½	Duthie		.04½			
1	.90	.40	George Copper		.43			
50c	.05	.01	Geo. Enterprise		.01			
1	.05	.01¾	Georgia River		.02½			
50c	.02½	.02¾	Glacier		.02¾			
10c	.01	.01	Gladstone		.01			
1	.45	.18	Golconda		.24½			
50c	.07½	.03	Grandview	1,000	.04½	.04½	.04½	.04½
No	27.50	17.00	Howe Sound		21.25			
1	.17½	.11	Inter. Coal		.12			
1	.01½	.01	Independence		.01			
1	.01½	.01	Indian Mines		.01½			
1	.43	.24	Jack Waite		.32			
25c	.02	.00½	Kootenay King		.01			
25c	.00½	.00¾	Lakeview		.00½			
25c	.02	.00¾	L. & L.		.02			
1	.12½	.07½	Lorne Gold	5,300	.07½	.08	.07	.08
1	.12	.12	Los Ang. Van.		.12			
10c	.03½	.01½	Lucky Jim		.02			
2.50	.01	.00¾	Marmot Gold		.01			
50c	.01	.00½	Marmot Metals		.00½			
25c	.00½	.00¾	Mohawk		.00¾			
1	.25	.14	Montana Mines		.17			
1	.05	.01½	Morton Woosley		.01½			
50c	.03½	.01	National Silver		.01½			
50c	.09¾	.04	Noble Five	1,100	.05	.05	.04½	.05
50c	.12½	.04	Oregon Cop.		.04			
1	2.60	1.23	Pioneer Gold	1,800	2.30	2.35	2.25	2.35
50c	.09	.04	Porter Idaho	500	.05	.04½	.04½	.04½
No	.02	.00½	Premier Border	6,500	.00¾	.00¾	.00¾	.00¾
No	.55	.20	Reeves McD.	1,425	.25½	.28	.25	.28
1	.28	.11	Reno Gold	3,000	.28	.26	.26	.26
1	.04	.02	Rufus Argenta		.02			
1	.07	.04	Ruth Hope		.04			
1	.05½	.04	Silverado		.05½			
25c	.03	.01½	Silver Crest		.01¾			
50c	.05	.01¾	Snowflake	2,000	.02	.02	.02	.02
1	.45	.30	Sunloch		.30			
50c	.01¾	.01	Topley Rich		.01			
5c	.20	.05	Toric		.05			
20c.	.01	.01	Wellington		.01			
1	.02	.02	Whitewater		.02			
No	.03¾	.00¾	Woodbine	1,000	.00¾	.00¾	.00¾	.00¾

x. Quotations for 1930. No sales recorded in 1931 to date.

DIVIDEND PAYERS

	Rate	Yield		Rate	Yield
Cons. Smelters	$2.50+a	2.57	Premier	12c.	17.91
Dome Mines	$1	8.62	Pioneer B.C.	6c.	....
Granby	$1	....	Royalite	50c.	....
Hollinger	65c.+5	11.47	Spooner Oils	6c.	....
Howe Sound	$2	....	Sylvanite	4c.	....
Inter. Nickel	60c.	4.61	Teck Hughes	60c.	9.23
Lake Shore	$1.20+30	5.65	United Oils	5c.	....
McIntyre	$1	5.71	Wellington Oil	5c.	....
Mercury Oil	5c.	....	Wright-Har.	10+2½c.	4.61
Model Oils	12c.	....			

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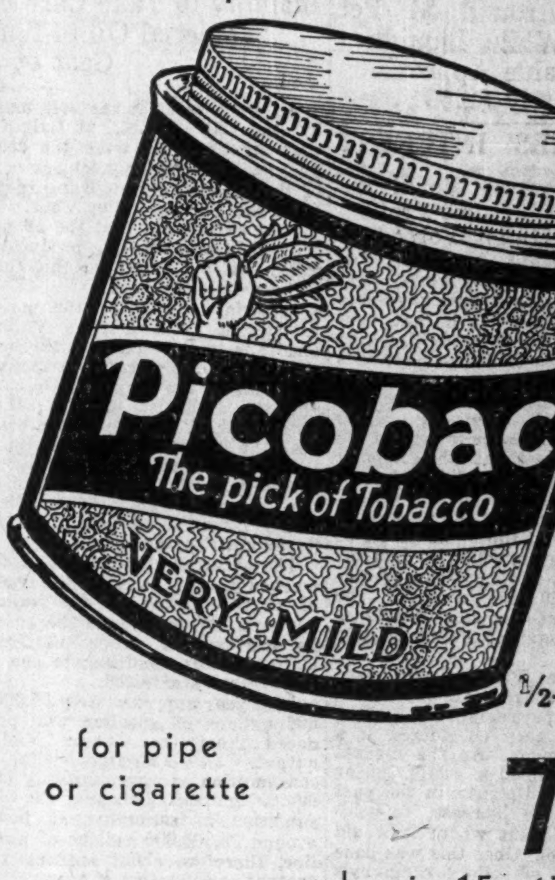

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Atlantic Steel Leases Former Packing Plant

From Our Own Correspondent

MONTREAL.—Atlantic Steel Products, newly formed subsidiary of Corporate Steel Products, will undertake manufacturing operations in the plant formerly owned by the British Canadian Packing Co. in Saint John. Equipment is presently being installed and employment will be given to about 100 workers when the plant comes into operation.

The structure has been leased from the provincial government which took over the property following financial difficulties of British Canadian Packing Co.

A general line of sheet metal products will comprise the output of the new Maritime concern.

Davis Appeal Lodged Before Privy Council

From Our Own Correspondent

MONTREAL.—The appeal of Lady Davis and Mortimer Davis, Jr. from the judgment of the Court of Appeal of Quebec, has been formally entered before the judicial committee of the Privy Council. Hearing of argument will not take place until next term.

Lady Davis and Mortimer Davis are appealing from a decision which dismissed their appeal from the judgment of Mr. Justice Surveyer, who in turn had dismissed their action for removal of Lord Shaughnessy and Alexander Reaper as executors and trustees under the will of the late Sir Mortimer Davis. Appellants have been applying for appointment of a sequestrator and the issue of an interlocutor injunction (to prevent the merger of the Canadian Industrial Alcohol Company with other distillery enterprises). The action and the petitions for sequestration and an injunction were dismissed by the Superior Court on June 30, 1930, and that judgment was confirmed by the Court of King's Bench, appeal division, on June 27, 1931.

Power Corp. Companies Give Details of Output

From Our Own Correspondent

MONTREAL.—Output of the companies in which Power Corp. of Canada is interested totalled 141,880,600 kw.h. in June 1931. Following are details of production by companies in kw.h.:

Southern Canada	13,698,470
Canada Northern	35,297,330
East Kootenay	5,434,500
B. C. Power	36,601,950
Northern B. C.	679,950
Winnipeg Electric	13,911,600
Manitoba Power	30,478,000
Northwestern Power	5,778,800
	141,880,600

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Canadian Mining News

NIPISSING SHARES BEING PICKED UP AT LOW LEVELS

Market Around $1 Per Share While Liquidation Value Approximately $2.50

VENTURES' INTEREST

Market Control Would Result in Handsome Profit if Liquidation Forced By New Owners

No official statements have been made but rumor has it that Ventures Limited, already owning 100,000 shares of Nipissing Mines Co., has been steadily adding to its holdings in this company.

Last month Nipissing Mines shares touched a new low of 85 cents, the lowest since the company was incorporated in 1917. An interesting angle of Nipissing shares, which are currently selling around $1 each, is that the liquid assets of the company according to last official figures work out to approximately $2.50 for each of the 1,200,000 shares of stock outstanding, or a total of approximately $2,700,000.

At the time Ventures purchased its 100,000 shares officials stated it bore no particular significance except that they considered it a good investment. As the market has since declined it would appear to be a shrewd stroke on the part of Ventures to increase its holdings to the point where it would obtain control. Once this was done liquidation of the company's earned surplus could be forced, resulting in a handsome profit. It is understood that Nipissing shares are very widely held and in no particularly large blocks. Such being the case it does not seem improbable that the quiet accumulation of sufficient shares to gain control is entirely in the realms of possibility.

In May last it was announced that the regular quarterly dividend of 7½ cents a share would be passed. This is the first break in Nipissing dividends since the original organization of the company in 1906. Some shareholders feel that the assets of the company should be liquidated for their benefit, but there has been no action to this end on the part of the directors.

Production of silver and cobalt at the company's property in Cobalt continues, but little if any profit is realized owing to the current silver situation. On the other hand if operations were suspended it is highly probable they would never be resumed, and the decision of the directors to continue operations, indicates that it would be more costly to close down the property than to absorb the current losses.

Shrewd investors have been quietly watching the Nipissing situation and the consensus is that someone is quietly acquiring the stock to the end that control will result. If accomplished, forced liquidation will return a profit of 250 per cent on the investment, at current prices.

BARRY-HOLLINGER TO SINK DEEPER, RESULTS ERRATIC

Developments at 1,875 Ft. Horizon Said to Be Below Expectations

From Our Own Correspondent

BOSTON CREEK.—Results obtaining at the lower levels of the Barry-Hollinger are said to be somewhat below expectations. The vein is understood to have become more erratic and the general outlook is not up to the mark. It should be borne in mind, however, that while results obtaining at the 1,875 ft. level may be disappointing, there is the possibility of a change or improvement at deeper horizons.

Indications are that there is a change in geological structure at the bottom workings and plans are now announced to carry sinking operations to the 2,000 ft. horizon.

The mill is currently treating around 100 tons of ore daily, having an average value of $7.50 per ton. Although in past years operations have met with a loss, at the present time it is reported that income is taking care of all operating and development expenses.

Accordingly as the work has been carried downward at the Barry-Hollinger, there has been a tendency to expect better results at greater depths. Each level, as it was opened, proved just good enough to warrant carrying on, while those directing the affairs of the company have kept steadily on the track of what they believed to be a lead to a profitable gold mine. Mining engineers and practical mining men have examined the mine from time to time and have come away favorably impressed with the mine's possibilities.

At one time the 1,000 and 1,500 ft. levels, the turn which would result in profits was believed to have come and the mine commenced to pay its way. However, the recent change at the lower level again casts a feeling of uncertainty about the mine.

Syndicate is Formed To Develop New Find

From Our Own Correspondent

ELK LAKE.—Another discovery has been made in the Matachewan area. This latest find is said to be on a group of claims lying to the south and southeast of and adjoining the Gordon property in Tyrrell township. The vein has been traced for some considerable distance and is said to show a spectacular quantity of visible gold.

Company to be known as the Matachewan Free-Gold Syndicate is being organized by a group of northern men, for the purpose of developing the find. Those organizing the company have already secured the property, under an option agreement. Following the organization of the syndicate the property will be turned over to it.

Turner Valley Output Is Further Curtailed

Inability to Take Care of Present Production Forces Imperial Oil to Limit Deliveries to 50 Per Cent of June Output

An announcement has been made by Imperial Oil Ltd., at Calgary, that starting last week the company will accept only 50 per cent of the production now being taken from the Turner Valley wells.

It is understood that the 50 per cent reduction in the production taken will be based on the June delivery figures.

Imperial Oil takes the major production from Turner Valley, and it is understood that the new regulations apply to the company's subsidiaries the Royalite Oil Co., and the Dalhousie Oil Co., thus putting them on the same basis with the independent companies.

It is announced that the Regal Refinery which takes a portion of the Turner Valley production, would continue to take full delivery until further notice.

The enforced curtailment of the marked production is not the result of overproduction in the valley, but it is attributable to the heavy importations of crude oil from United States according to one of the operators affected.

Last year approximately 35,000,000 gallons of gasoline was produced from the Turner Valley output, as compared with a consumption of approximately 50,000,000 gallons. This year the consumption is estimated at being around 35,000,000 gallons of gasoline, therefore about meeting the current consumption if it were not for the imported product.

Recent legislation enforced a 40 per cent curtailment of the gas flow. This curtailment was a gas conservation measure, but since the crude naphtha production from the Turner Valley well is from wet gas, it directly affects naphtha production. After passing through separators, the gas is burned in the fields owing to the excess gas production over market requirements.

It is not made clear whether the cut in marketed production is after the restricted or 40 per cent gas flow or whether it applied before this conservation measure came into effect. Indications are that it was based on the June production and the new regulations will not prove as serious as first impressions would imply. A 40 per cent reduction in gas production means approximately equal curtailment of crude naphtha production. A reduction of 50 per cent of the June output means a further curtailment of approximately 20 per cent.

It cannot be denied that the situation is serious and is giving the young petroleum industry at Turner Valley a very serious handicap, but as compared with the petroleum pro ratio situation in United States and prices prevailing there the new Turner Valley regulations seem quite lenient.

The principal companies affected are the Royalite and its subsidiaries, also Mercury Oil and Eastcrest, the latter two being the largest independent producers in the Valley.

MACASSA NEARS AREA FAVORABLE TO ORE DEPOSITS

Work Being Vigorously Pressed, Values Encountered Seen as Encouraging

A report from the Macassa Mines at Kirkland Lake, early this week showed the drift now being driven from the 2,475-ft. level of the Kirkland Lake Gold Mines as being 436 ft. into the Macassa property. Meanwhile shaft sinking is continuing and is now down 425 ft. on its way to the immediate objective of 2,500 ft.

While it is too early to expect any tangible results from the drifting being done from Kirkland Lake Gold property, officials of Macassa feel encouraged by the gold values being encountered and anticipate that at a distance of around 500 ft. ore will be in evidence.

Financing, arranged early this year through New York interests, is in excess of the scheduled plan and is enabling the company to carry out a speedy development of this property. By shaft sinking and simultaneous lateral development on the 2,475-ft. horizon the potentialities of the property are being vigorously prosecuted. Development work carried out to date indicates a condition similar to that on the upper levels of the adjoining Kirkland Lake Gold. The drift at present is in syenite but as it is driven westward it is expected that the syenite-conglomerate formations will be encountered. These have proven more conducive to ore.

The Macassa property, embracing as it does a length of approximately 4,500 ft. on the main Kirkland Lake break offers an extensive area for development.

HOWE SOUND CO. EARNS $127,467 SECOND QUARTER

Earnings Equivalent to 26 Cents Share as Compared With 64 Cts.

The quarterly report of Howe Sound Co. for the three months ended June 30 showed a net income of $127,467 equivalent to 26 cents per share, as compared with $319,698 or 64 cents per share in the three months ended March 31. Production has been curtailed.

The following table shows income and production for the quarter ended June 30, as compared with the quarter ended March 31, 1931.

	June 30 1931 $	Mar. 31 1931 $
Val. of metals prod.	2,128,082	2,704,720
Operating costs	1,983,805	2,389,844
Operating income	144,277	314,876
Misc. income	109,950	129,697
Total income	254,227	444,573
Less: Deprec.	126,760	124,875
Net income	127,467	319,698
Production:		
Gold, ounces	1,200	2,489
Silver, ounces	919,773	1,078,408
Copper, lbs.	8,006,654	8,054,620
Lead, lbs.	24,871,074	29,168,294
Zinc, lbs.	20,700,604	22,692,729

Stevenson Claims May Change Hands

From Our Own Correspondent

ELK LAKE.—Negotiations through which the Stevenson property, in Alma township, Matachewan area, Ontario, may come under the control of other interests, are under way. The deal involves a substantial amount of cash, together with a share interest.

Three promising showings have been discovered on the property. One deposit is said to be upwards of 20 feet in width, nicely mineralized and carrying considerable visible gold. Another vein, paralleling the big vein, shows a width of only two feet but is reported as extremely rich in visible gold. The latter occurs in a swamp area and may be difficult to trace on surface. However, those negotiating for the property (the deal is in the final stages) propose to diamond drill, with the likelihood that a shaft will be put down following the diamond drilling programme.

Parkhill Gold Ready To Ship First Brick

Parkhill Gold Mines, which started its Michipicoten property into commercial production early this month will have its first gold brick ready for shipment early in August. After the initial shipment it is expected there will be a clean up every month with regular gold shipments thereafter.

The new mill has been steadily handling its rated capacity of from 50 to 60 tons of ore daily. With a few additions to equipment the capacity can be stepped up to 150 tons.

Underground development has been carried to the third or 365 ft. level. Plans call for further sinking and the opening up of two more levels.

MOFFATT-HALL STOCK IS ACTIVE ON GOOD NEWS

Public Told of Ore Found Though McIntyre Failed to Be Impressed

Directors of Moffatt-Hall Mines met last week and authorized the purchase of additional mining equipment to continue shaft sinking from the 150 ft. horizon to a depth of 450 ft., also the opening up of the two levels at 300 and 450 ft. respectively.

Last April the directors announced that finances had been provided that would permit of further exploration programmes being carried out. Shaft sinking operations were started and to date have been carried to the 150 ft. horizon where a 70 ft. crosscut was driven southward to the main vein. Drifting east and west from the crosscut on this main vein for a total distance of 108 ft. has shown an average of $14.90 in gold over widths from 7 to 8 ft., eliminating one section of unusually high grade ore, according to reports.

There has been a great deal of market activity in the stock recently. On July 27, 102,600 shares changed hands on the Standard Stock & Mining Exchange with a closing price of 10⅝ cents per share. The market action of the stock synchronizing as it does with the announcement of such interesting values on its development programme has set the street gossiping regarding the company's method of financing.

Although the shareholders are kept informed regarding the results of the development work, no information has been forthcoming as to who is the company's financial sponsor or the details of arrangements made for the necessary funds.

Particular interest is attached to the company's development since in June, 1929, the McIntyre Porcupine Mine relinquished its option on the property after carrying out an extensive diamond drilling campaign. McIntyre did not publicly announce the results of the findings, but the inference drawn from its dropping the option is that results were far from satisfactory or encouraging.

The company's property consists of approximately 534 acres in Lebel Township, east of the producing section at Kirkland Lake. In addition the company has for a subsidiary, Moffatt-Opemiska Copper Mines, which a copper property in the Opemiska Lake district of Quebec.

The last official figures showed 2,201,457 shares outstanding out of the authorized capitalization of $5,000,000 in $1 par value shares. Of this amount McIntyre Porcupine Mines owns 101,449 shares transferred to them under terms of the agreement for the development work it did. Nn information is available as to the amount of stock currently outstanding.

B. C. MINERALS SHOW DECLINE IN HALF YEAR

Value For Six Months Ended June 30 Totals $18,703,267

METAL PRICES LOW

Aggregate Output in Volume Running 84 Per Cent of 1930 Rate, Report Shows

From Our Own Correspondent

VANCOUVER.—Substantial reduction in the gross value of British Columbia's mineral production for the six months ended June 30, is shown in a special report issued by the provincial government. The value for the six months' output is placed at $18,703,267, as compared with $29,910,672 for the corresponding period in 1930.

Lower metal prices and the lessened output of all metals and minerals are responsible for the decline, but government officials regard the showing to be creditable in view of world conditions. Based on dollar value, production is running at 63 per cent of the 1930 rate but in aggregate quantity output it is running at 84 per cent of the 1930 rate.

An encouraging sign is the growing extent of prospecting in British Columbia this year. While many properties have been shut down temporarily owing to the low prices prevailing, the development work is expected to place the industry in a position where it can increase production to a higher rate than ever before as soon as market conditions warrant.

Low prices for all metals, except gold, have caused the curtailment of production, closing down of mines and nearly profitless operation of the industry. In recent years the principal base metal output has been from the Sullivan, Britannia, Premier, Hidden Creek and Copper Mountain mines, and of these only the latter has been closed down. Practically all the silver-lead-zinc mines of the province closed down in 1930 and no change in this respect is to be expected until metal prices move considerably higher.

Offsetting the depression in silver and base-metal mining, greatly renewed interest has been shown in gold-mining. While the production of gold shows a slight decline, this is caused mainly by lower output from Premier, the non-operation of the Nickel Plate and curtailment of copper mining resulting in less by-product gold. Against these declines were increased returns from the Pioneer, Union and Reno mines. The healthy interest in gold mining at the present time has resulted in much further development of properties. Sullivan and Premier continued as the chief sources of silver. Copper output was reduced largely by the closing of the Copper Mountain mine. Almost all the lead and zinc during the past year was from the Sullivan mine of Consolidated Mining & Smelting Co.

CARTIER-MALARTIC TO RE-ORGANIZE

Financial Arrangement Cancelled, Plans Now Call For Sale of Assets

Shareholders of Cartier Malartic Gold Mines are in receipt of official notice calling a meeting on August 1, for the purpose of re-organizing the company and selling its assets for a share consideration to a new company to be formed.

The announcement states that the financial arrangement made with Netherton & Co., of Montreal, last October, giving an option on the remaining treasury stock, has been cancelled, no shares being taken up by that company.

The present company has an authorized capitalization of $3,000,000 in $1 par value shares of which 1,720,000 shares are outstanding. Under the plan of re-organization a new company is to be formed with a capitalization of 3,000,000 shares, out of which 1,000,000 shares will be given to the present company for its Cadillac township, Quebec, holdings. The remaining 2,000,000 shares will be utilized for financing development work. For the present it is announced the 1,000,000 shares to be given to the present company will be retained in its treasury, but at some time in the near future a pro rata distribution will be made to all shareholders of record.

The most interesting property held by the company is 400 acres in Cadillac township, Quebec, adjoining the property of M. J. O'Brien, which is responding to development in such a satisfactory manner.

The present company was incorporated in 1927 but operations were suspended in 1928 owing to the lack of funds.

Last October shareholders were advised of the financial arrangement with Netherton & Co., and it was stated that shareholders were to be given the privilege of subscribing for stock at 15 cents per share. No explanation is given for the failure to carry through the agreement.

The advantage in re-organizing the company is not made clear since 1,280,000 shares remain in the hands of the trustees of the company, to be sold for the benefit of the company. Formation of a new company with 3,000,000 share capitalization, however, would permit of control passing to other hands if all the 2,000,000 shares available for financing were taken up.

Pandora Gold Mines Ready to Start Shaft

From Our Own Correspondent

AMOS.—J. W. Morrison, mine manager for Canadian Pandora Gold Mines, has returned to the property with another crew of men. Work is expected to be started on the three compartment shaft before the close of the current week.

The mining plant, machinery and supplies now on the property have a value of close to $50,000,000.

Trail Smelter Receipts

Following is a statement of ore received at the Trail Smelter, for the period July 15 to 21, 1931, inclusive:

Name of Mine	Locality	Tons
Bell	Beaverdell	50
Ruth Hope	Sandon	30
Union	Lynch Creek	73
Wellington	Beaverdell	52
Wilcox	Ymir	29
Total		234
Total company		9,197
Grand total		9,431

Mines Branch Experimenting On Brick Hues

Foreign manufacturers of brick of certain special colors who are at present finding a ready Canadian market for their product will later possibly have to contend with production of similar brick from Canadian plants.

The Department of Mines, Ottawa, has been engaged for some time in research relating to color development and control in the manufacture of brick, with particular reference to the Canadian situation. It is now engaged in experimental work at brick plants in Quebec and in the Maritime provinces on the problem of producing brick of the desired colors. The importation of grey and buff colored bricks will be chiefly affected.

ALEXANDER GOLD PROGRESS REPORT ANTICIPATES ORE

Commercial Success Assured if Ore Encountered Continues to Lower Level

Shareholders of Alexander Gold Mines are in receipt of a progress report advising them of the downward extension of the ore body on the second level further west than was anticipated.

It is also reported that some high grade ore has been encountered in the shaft sinking operations. The report also draws attention to the vein on the No. level, which has been developed for a length of 300 ft. with values of $11.50 per ton. As depth was gained this vein is stated to have increased approximately 25 per cent in width, averaging about $14 per ton in gold.

Arrangements are being negotiated for listing the stock.

The company's property consists of seven crown granted claims and four claims held by location in the Phillips Arm section of the Nanaimo mining division of British Columbia.

The authorized capitalization of the company is $5,000,000 in $1 par value shares of which approximately $3,500,000 is outstanding. Finances are being provided by private groups who take up stock from time to time as development work demands.

NICKEL'S DIVIDEND FOR NEXT PERIOD NOW IN BALANCE

Directors to Decide on Dividend Policy—Earnings Insufficient

Directors of International Nickel will meet on August 3 to decide the dividend rate for the next quarterly distribution payable on September 30, to shareholders of record September 1.

Owing to the current earnings of the company not being sufficient for dividend requirements considerable discussion has been provoked as to the policy the company will follow in the future.

The current rate of 60 cents per share annually was reduced from the previous rate of $1 per share with the distribution on March 30 last.

Earnings for the second quarter are not yet available but are not expected to be in excess of those in the first quarter when they were equivalent to 8 cents per share on the common stock. Although earnings are not sufficient to meet dividends the directors will hesitate to pass them, and there is a fair chance of the current rate being maintained for at least the next distribution. The currently outstanding stock of the company demands approximately $2,670,000 quarterly to meet the current dividend rate. The balance sheet as at March 31, last showed the company in a strong liquid position with cash, loans and Government securities totalling $14,386,939. Since that time this position may or may not have changed owing to the dividend paid on June 30 last being in excess of earnings, depending on whether inventories were lessened. The continuing of the current rate for the net declaration would mean making inroads into the company's liquid position to the extent of approximately $1,000,000, and while this policy could not be continued for long without impairing the company's position another distribution would not materially affect it.

The action of the United States Steel Corp. in reducing its dividend from an annual basis of $7 to $4 per share or $1 quarterly, while its earnings were but 12 cents per share for the last quarter, offers somewhat of a parallel case with Nickel, by continuing dividends out of previous earnings.

A point that has considerable bearing on Nickel directors' action on the forthcoming dividend is the fact that large blocks of its stock are held by insurance companies, investment trusts and similar investment agencies that have a policy of buying only dividend paying stocks with a seven year record.

Three Silver Mines Surrender Charters

Three silver mining companies have passed out of existence this month with the official surrender of their charters.

The companies are Seneca Silver Mines, Ltd.; Casey-Seneca Silver Mines, Ltd., and Nonsuch Cobalt Silver Mines, Ltd.

HORSESHOE MINES SAMPLING SHOWS INTERESTING DATA

K. A. MacPhayden Secures Option and Carries Out Programme

ORE ON LOW LEVEL

Small Mine Indicated at Depth With Possibilities When More Work Undertaken

Horseshoe Mines, formerly known as the Regina property, one of Ontario's first gold mines located in the Lake of the Woods district, is to be further developed and brought to production stage if plans now under way are carried through.

The property was recently optioned to K. A. MacPhadyen, of Toronto, under an agreement to take up the balance of the stock outstanding. He has rehabilitated the old shaft, dewatered the mine and carried out extensive sampling of the old workings. In all, 1,200 samples were taken in the mine and 100 in the tailings dump.

Previous operations had been carried to a depth of 540 ft.—or the ninth level—and indications were that the ore above the eighth level had been almost completely mined out. No stoping had been done on the ninth level although a drift had been run both east and west of the crosscut from the shaft. To the east, sampling disclosed an ore shoot which assayed $14.30 for a length of 90 ft. over an average width of 6 ft. 3 in. or alternatively $11.85 for a length of 120 ft. over a width of 6 ft. 1 in. Indications are that this main or No. 3 vein has improved in width and character with depth. On the surface it was from two to three ft. in width and rather tight, while at the ninth level or 540 ft., it reaches a width at points of nine ft. and lies in a sheared and schisted zone. The length of this main vein varies considerably from level to level, ranging from 80 ft. to 200 ft. without definite general trend.

Taking the shorter length of 90 ft. with an average grade of $14.30 per ton and assuming that values persist to additional depths there is indicated approximately 5,000 tons of ore per 100 ft. depth with a recoverable value of approximately $60,000.

In addition there are six veins, parallel to the main or No. 3 vein, exposed on the surface, none of which have been explored underground, but which appear worthy of exploration by diamond drilling.

The property, consisting of 310 acres, is on the south shore of Regina Bay, Lake of the Woods, approximately 40 miles by water route from Kenora, Ont.

It was discovered in 1894 and began producing the following year, operating continuously until October, 1899, and again for short periods in 1902 and 1905, finally suspending owing to the death of General Wilkenson, manager of the property, who acted for English interests. It produced gold to the estimated value of $500,000.

The property is equipped with a 30 stamp and cyanide mill, which has been maintained in fair condition. It is stated that by utilizing the stamps for secondary crushing and adding a tube mill to the circuit very little expense would be involved in rehabilitating the property and plant. Hydro-electric power is available from a transmission line about three miles distant.

At the present time there is considerable interest attached to the activities in the Lake of the Woods area in general, the feeling expressed by many well informed circles being that the possibilities of the area have not been exhausted and that with modern metallurgical practice and geological knowledge many properties now abandoned could be operated at a profit.

At many properties, as in the case of Horseshoe Mines, the ore in sight, while not extensive, offers possibilities of small profitable operation with chances of developing more ore as work progresses.

NATIONAL BISCUIT EARNINGS ARE DOWN

Earned $1.36 Per Share on Common in First Six Months

National Biscuit Co., which includes among its subsidiaries two Canadian companies, Christie, Brown & Co., and the Shredded Wheat Co., reports net profits after depreciation, and available for preferred and common dividends, for the six months ended June 30 last, of $9,406,791. This is equal to $1.36 per common share as compared with $10,036,757 or $1.48 per common share for the corresponding period in 1930.

In the second quarter of this year net was equal to 66 cents per share against 70 cents in the first quarter. As dividend requirements for the six months are $1.40 per common share, the company failed to earn the common dividend by a margin of only four cents, which is considered very unusual and reflects the adverse effect of the current depression on the company's business.

This is the first interruption in the company's upward curve of earnings since 1915, reduced earnings being shown only in 1909, 1913 and 1915. In the depression of 1921 the company managed to show an increase in earnings. To date the company has never made a backward step in dividend payments since dividends were first paid on the common stock in 1899.

Although there is outstanding stability, there is also a seasonal aspect to the company's operations, and the best business is usually done in the third quarter, and the next best in the fourth period. Thus it is considered likely that the company will cover its $2.80 common dividend requirements for the year.

Turner Valley Drilling Report

Wells Drilled by Imperial Oil

Progress Report—Week Ending July 24, 1931

Name of Well	No.	Type	Depth last report feet	Present depth feet	Feet drilled	Remarks
Royalite	4	S.	....	....	...	Milling on 6¼ in. casing.
S. Lowery	3	R.	4655	4777	122	Drilling in crooked hole, sandstone.
Ster. Pacific	2	R.	2168	2521	353	Drilling in lower-most Benton.
Lethbridge	1	S.	3311	3311	...	Casing lowered to 3,237 ft. re-reaming at 3,241 ft.

Note: R.—Rotary. S.—Standard.

Granby Earns 40c Per Share In Half Year

The Granby Consolidated Mining, Smelting & Power Co. showed a profit of $177,483 or 40 cents per share before depreciation, depletion and federal taxes for the six months ended June 30, last. This compares with a profit of $1,106,485 or $2.45 per share in the same period in 1930.

Operating income is shown at $75,046 while non-operating income is shown at $102,427, a total of $177,483. The net profit for the three months period ended June 30, or the second quarter, was $7,405.

These figures indicate that earnings in the first three months period of the current year were approximately $170,000 during which a profit was made on operations, while in the second quarter, ended June 30th there is an actual operating loss of $23,971.

In June directors declared a 25 cent quarterly dividend payable on August 1st to shareholders of July 17th, thereby reducing the annual rate from $2 per share to $1.

ZINC PRODUCERS CUT PRODUCTION TO 45 PER CENT

World Leaders Agree on Programme to Stabilize Price

The leading zinc producers of the world, aside from the United States, meeting in Ostend, Belgium, recently, agreed to a curtailment of production to the extent of 45 per cent of the full rated capacity.

This action by the world leaders is looked upon as being an important step in the stabilization of the industry.

The new agreement stands for one year and may be renounced upon three months notice. There were ten countries participating in the agreement: Canada, Great Britain, Australia, Germany, France, Belgium, Czechoslovakia, Mexico, Poland and Norway.

In Canada the principal zinc producer is the Consolidated Mining & Smelting Co., which was represented at the conference by its president, J. J. Warren. Only two plants are producing zinc in Canada at the present time of any importance, Smelters and the Hudson Bay Mining & Smelting Co. Both have their own refineries. Canada's entire production is marketed in the refined state.

Last year, Smelter's with its production from the Sullivan mine, which amounted to 239,100,252 pounds, had an output equivalent to about 7¾ per cent of the world's total. For the first six months of the current year its production amounted to 115,972,000 pounds, about equal to last year's rate.

The curtailment in production is expected to have an immediate effect in curbing the mounting zinc stocks of the world, which have been responsible for the declining price of the metal.

In order to hold the signers of the agreement to their contract, heavy penalties are provided for any company exceeding its quota.

Effective on May 1 last, Smelters became a party to an agreement to curtail its lead production by 15 per cent. This agreement was signed by the world's leading producer outside of the United States.

Complete Projects in Hamilton

Two large projects in Hamilton about to be completed are the new Mountain Avenue reservoir and the mechanical filtering plant. The filtering basin is of the latest type with a rated capacity of 40,000,000 gallons per day.

FALCONBRIDGE OUTPUT NORMAL, SALES IMPROVE

While Production Continues Steady, Gross Value Reflects Low Prices

Quarterly production statement by the Falconbridge Nickel Co. for the three months ended June 30, 1931, shows that the volume and value of the copper-matte shipped to its refinery in Norway has increased over the previous quarter, while the smelter production showed a decline.

The smelter production bears very little relation to shipments. In the past quarter a breakdown of the converter blowing equipment forced a shutdown that was reflected in the smelter production. In the first quarter operations were resumed on January 1, after a 60 day shut down of the smelter, preceding which all matte previously made had been shipped. Operations at the refinery in Norway during the second quarter exceeded the first quarter. It is now producing at maximum capacity.

Sales of the company's products, the report says, continue to show some improvement.

Based on a selling price of 30 cents per pound for nickel and 8 cents per pound for copper, the gross value of the copper and nickel content of the smelter production for the first six months of the current year would be approximately $783,555.

The smelter treated an average of 296 tons daily for the first three months of the current year, and 265 tons for the second quarter. The average recovery of nickel per ton of ore treated, based on the nickel content of the matte made was 2.47 per cent during the first quarter, while during the second quarter it was 2.31 per cent. In the same periods the copper recovery averaged .87 per cent.

In the mine, development westward on the 350 ft. level continued in good ore, work being largely limited to this section. Raising was continued from the 1,000 ft. level to the 700 ft. horizon, with crosscutting of the orebody at intervals on the way up.

The following is a tabulation of production, shipments and refinery output for the first and second quarters of the current year:

	1st Quar. 1931	2nd Quar. 1931
Smelter Prod.		
Ore smelted, tons	26,624	23,909
Matte made, lbs.	2,148,569	1,938,661
Nickel content, lbs.	1,260,510	1,103,612
Copper content, lbs.	514,031	414,968
Shipments to Norway		
Nickel in matte, lbs.	857,500	952,800
Value, $	171,544	190,657
Copper in matte, lbs.	347,200	368,900
Value, $	34,726	36,924
Refinery Prod.		
Nickel, lbs.	1,112,419	1,380,941
Copper, lbs.	669,427	525,358

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